



Battery  
Park  
City  
Parks



Battery Park  
City Authority



## 2016 Annual Report





## **President's Message**

On behalf of the Battery Park City Authority I'm honored to present our 2016 Annual Report.

Where the old piers of the Lower West Side once stood, Battery Park City was built, created in part by the excavated earth from the original World Trade Center. Tucked into 92 downtown acres west of West Street along the Hudson River waterfront, it now has the unique distinction of being the very newest neighborhood in the oldest part of New York City.

The Battery Park City Authority, in the nearly five decades since its creation, has created and maintained this world-class neighborhood, achieving international acclaim as a model for community renewal, through a balance of commercial, residential, retail, and park space. By pioneering development through ground leases and bonding authority with public/private partnerships between the BPCA and private developers, Battery Park City has become a blueprint for successful urban development – all while cumulatively generating more than \$3 billion in excess revenue for the benefit of New York City.



**Shari C. Hyman, President & Chief Operating Officer**

The neighborhood now encompasses 36 acres of parks, 10 million square feet of commercial space for 40,000 daily workers, and more than 7 million square feet of housing for some 15,000 residents in 30 buildings – including the first LEED-certified Gold and Platinum residential high rises in the country.

Battery Park City has restaurants, public art and cultural institutions, shopping and services, four public schools, and a branch of the New York Public Library.

In and around this amazing urban oasis we plan and coordinate more than a thousand public events attended by some 60,000 guests annually.

In 2016 BPCA continued carrying out its mission. We increased community engagement by instituting quarterly Open Community Meetings and public comment sessions at all Board Meetings. We enhanced the connective tissue that binds Battery Park City with the rest of downtown with the opening of the Liberty Park Bridge, and by breaking ground on the West Thames Street Pedestrian Bridge.

We advanced work on important capital projects, including restoration work on the north Esplanade platform and the updating of electrical wiring and infrastructure serving the neighborhood's south grid. We began our resiliency efforts in earnest with the reconstruction of electrical vaults for the NYC Police Memorial, as well as waterproofing and leak remediation for the Irish Hunger Memorial, to sustain these monuments for the enjoyment of the next generation of New Yorkers and visitors.

These and many other initiatives are detailed in this report. Add it all up and Battery Park City continues to be the best small town in New York City.

Our successes, as always, are due to that unbreakable New York spirit, and the strength of the partnerships we have built with all corners of the community – residents, neighbors, businesses, and friends.

We are, indeed, better off together, and I look forward to continuing to build these invaluable relationships with all of you.

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# 2016 Community Highlights



The Community Center at Stuyvesant High School reduced its rates dramatically and began offering resident discounts for the first time. New pricing, along with special promotions like the BPC Community Day (pictured) in June helped double CCSHS membership in 2016.

BPCA's Parks Programming department had over 1,100 programs, classes and special events for all ages, attended by more than 60,000 participants. Programs included such favorites as the River & Blues concert series, Go Fish! family days, Art + Games for kids, Teen Nights, and for the first time, the Dockapella festival.



The Battery Park Ball Fields continue to be a popular spot for outdoor recreation. In 2016 BPCA issued more than 100 Ball Field permits including those for returning local groups such as Downtown Little League, Downtown Soccer and the Downtown Giants.



To facilitate fitness and green commuting, BPCA partnered with Citi Bike to offer valet service at the Chambers street dock, one of the five busiest docking stations in NYC. Valet service ensures that there will always be a bike to ride – and a space to return it.



2016 marks the 50th anniversary of Governor Nelson J. Rockefeller's proposal to develop Lower Manhattan's West Side. In that half-century, the Hugh L. Carey Battery Park City Authority worked diligently to create a vibrant community in Lower Manhattan. Today the Authority continues its tradition of community engagement, sustainable development, and responsible civic leadership.



In 2016, leak remediation and waterproofing work began on the Irish Hunger Memorial located at North End Avenue and Vesey Street. The project is expected to be completed by summer 2017.



BPCA, in partnership with City, State, and Federal partners, broke ground on the new West Thames Street Pedestrian Bridge. When complete in 2018, it will serve as an additional connection between Battery Park City and other Lower Manhattan neighborhoods.



As part of its commitment to increase transparency and further build its relationship with the community, the Authority established a public comment session as part of its Board meetings for the first time in history. BPCA also began hosting Open Community Meetings in December 2015.



In 2016, work to restore the NYC Police Memorial's integral water and light features, debilitated during Superstorm Sandy, began. Construction of two above-ground structures to house electrical equipment, currently located in subterranean vaults that provide power for the Police Memorial, is scheduled to be completed during the summer of 2017.

The new West Thames Park turf lawn was opened in April 2016 and was an instant hit with area youth.



# 2016 Community Highlights

The Authority's FY 17 budget, approved by the Board in October 2016, is the lowest annual budget in 14 years even as non-discretionary spending continues to rise.

Category	FY 16	FY 17	% Change
Operating Expenses	1,020,000,000	970,000,000	-4.9%
Capital Expenses	150,000,000	150,000,000	0%
Debt Service	100,000,000	100,000,000	0%
Reserve Contributions	50,000,000	50,000,000	0%
Other	10,000,000	10,000,000	0%
<b>Total</b>	<b>1,320,000,000</b>	<b>1,280,000,000</b>	<b>-3.0%</b>



With Manhattan CB1, BPCA established a Bicycles Working Group to solicit feedback and develop recommendations for bicycle usage on the Esplanade.

Allied conducted a Bike & Child Safety event this summer, with safety pointers for kids and parents alike.



With our partners at Brookfield and Manhattan CB1, BPCA kicked off the holiday season with Light Up Luminaries, a free community holiday event for the whole family that included live music, free ice skating, and — of course — Santa Claus!



Battery Park City's Swedish Midsummer Festival was declared the largest Midsummer celebration in the world by Leif Pagrotsky, Consul General of Sweden in New York. On June 24, more than 8,000 celebrants adorned themselves with floral crowns and enjoyed traditional Swedish food, music, folk dances, games and a Midsummer Pole parade. BPCA partners with the Consulate General of Sweden New York to bring this popular festival to Wagner Park each year.



In June, BPCA joined representatives from the Port Authority, Brookfield Properties, and more to commemorate the opening of Liberty Park and Liberty Park Bridge:

*"Let this beautiful new public space and renewed pedestrian passage stand as a testament to the resiliency and defiance of New Yorkers and their indomitable city."*

- BPCA President & COO Shari C. Hyman

With partners Brookfield and Island Global Yachting, BPCA coordinated the Community Summer Sail Program with the *Shearwater* and *Ventura* – two historic sailing vessels moored in North Cove Marina. The program offered free public sailing trips.



BPCA joined its partners at the Albanese Organization and BMW to launch 24/7 access to a fleet of BMW i3 electric vehicles and BMW 3 Series sedans via the ReachNow app to residents of The Solaire.



To celebrate Earth Day 2016, BPCA hosted local students from PS 276 for a day in Wagner Park. Students learned about BPCA's composting operations, bird migrations as well as the flora and fauna that call the Parks' gardens home. Students were even able to take home a sample of Parks-made compost for their own gardens and plants.



In 2016 BPCA installed security cameras at the field as part of its ongoing efforts to enhance its security for residents and visitors. The cameras are monitored on a 24x7 basis by BPC's Allied Universal Security Service team and supplement Allied's existing foot and bicycle patrols.



BPC's Holiday Lights spectacular served up free sweet treats, warm beverages, and caroling to accompany the annual lighting of the tree in South Cove. The BPC Parks team delivered donated toys from the event to help fulfill holiday wish lists for needy New York City families.

# 2016 Community Highlights



The Battery Park City Authority was proud to play a part in bringing the America's Cup back to NYC for the first time since 1920. More than 180,000 people crowded into North Cove Marina and the Esplanade to view the historic race.

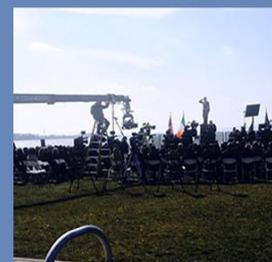
Doctors Without Borders brought *Forced From Home* to the Esplanade. This interactive educational exhibition provided information to increase awareness of the plight of refugees around the world.



The New York City Police Memorial honors the officers who gave their lives in the line of duty. Each year there is a memorial service and the NYPD Emerald Society, along with officers, families and civilians, pay tribute to the service and sacrifice of those whose names are forever etched into the memorial wall.



Battery Park City is a popular spot for TV and film shoots. This year the neighborhood has provided shooting locations for the television programs *Blue Bloods*, *The Jim Gaffigan Show*, *Mr. Robot*, and *Gotham*, as well as for the upcoming film *Wonderstruck*. Battery Park City has also provided a backdrop for photoshoots for Ralph Lauren, Kenneth Cole and Nike.





The Consulate General of Ireland in New York hosted a special event in Wagner Park to celebrate the One Hundred Year commemoration of Ireland's Independence.



Wagner Park was this year's Dîner en Blanc secret location. The exclusive annual event brought 4,500 white-clad picnickers to Battery Park City for a magical evening.



Above: Kevin Hart brought the energy to Rally Healthfest. The free one day event in Rockefeller Park drew more than 5,000 motivated New Yorkers who enjoyed yoga, boot camp fitness, massages, special kids' programs and more.



Photo courtesy of Don Kehoe

The Stephen Siller Tunnel to Towers Foundation Walk honors the courage and sacrifice of those who gave their lives on September 11, 2001.



**Battery Park  
City Authority**



# 1. Operations & Accomplishments



**Battery Park  
City Authority**

**2016 Annual Report**

## 1. Operations and Accomplishments

In 2016, the Battery Park City Authority (BPCA) continued its mission of providing an attractive mix of retail, commercial, residential, parks and open space for residents, neighbors, local workers, tourists and fellow New Yorkers. Administered by the BPCA, Battery Park City is seen as a model community, pursuing best practices in the area of urban infrastructure, design and sustainability.

### 1.1 Key Projects:

BPCA performed several new and on-going maintenance and capital projects, enhancing the public spaces, infrastructure and amenities within Battery Park City.

- **Police Memorial/North Cove Marina Electrical Vault Resilience Project:** Construction began in 2016 on the project to relocate the Police Memorial and North Cove Marina electrical infrastructure to new above-ground structures at the 500 year flood plain level and enhance pedestrian connections between the adjacent upper and lower plazas. Construction is expected to be completed in 2017.
- **Irish Hunger Memorial Restoration:** Construction began in 2016 on the Irish Hunger Memorial Restoration and Waterproofing Project, which will repair damage to the Memorial and arrest and remediate water infiltration into the structure. The project is expected to be completed in 2017.
- **South Grid Electric Upgrade:** The updating of the electrical wiring and infrastructure serving the Battery Park City South Grid (bounded by Battery Place, Rector Street and Little West Street) was continued during 2016, with completion expected in 2017.
- **North Esplanade Restoration Project:** Construction began in 2016 on the North Esplanade Restoration Project to restore certain portions of the Esplanade platform, granite slabs, pile caps, timber piles and rip rap. The project is expected to be completed in 2017.
- **Pier A:** A project to replace exterior piping and underwater connective hoses for the river water geothermal system was completed during 2016.
- **Assessment/Design:**
  - *Wagner Park Assessment:* An assessment of Wagner Park and its structures to determine the extent of vulnerability to flood damage and to identify measures for enhancing resilience, usability and space utilization within the Park was commenced in 2015 and is expected to be completed in 2017.
  - *Phase 5 Pile Remediation and Cellular Sheet Pile Encasement Project:* Design was completed in 2016 on the latest phase of the Authority's multi-year pile remediation program. Construction of the project is expected to be performed in 2017.
  - *200 Rector Fit-Out Project:* Design was completed on the fit-out of office space leased by the Authority for security, construction management and community



support purposes. Construction of the project is expected to be performed in 2017.

- *South End Avenue Streetscape Study*: A study to evaluate the current streetscape conditions associated with South End Avenue and West Thames Street and identify opportunities for enhancement continued in 2016 and is expected to be completed in 2017.
- *Asphalt/Granite Remediation Project*: Design was completed in 2016 on a project to remediate, replace and restore asphalt pavers, bricks and stone infrastructure elements throughout Battery Park City parks and public spaces. The project is expected to be performed in 2017.
- *Bed A Wall Restoration Project*: Design was completed in 2016 on the restoration of a property wall and planting bed located adjacent to Kowsky Plaza that was damaged by a sinkhole. Construction of the project is expected to be performed in 2017.

- **Cooperative Partnering Projects:**

- *West Thames Street Pedestrian Bridge*: As part of a collaborative project between the New York City Economic Development Corporation (NYCEDC), the Lower Manhattan Development Corporation and BPCA, construction of the West Thames Pedestrian Bridge was commenced by NYCEDC in 2016. Completion of the construction is expected in 2018.

## **1.2 Public Programming and Community Engagement**

In Fiscal Year 2016, BPCA continued its ongoing focus on increasing communication with local elected officials, community and civic groups, as well as with Battery Park City residents. Numerous presentations and updates were offered at civic meetings and Manhattan Community Board 1 meetings and BPCA continued to host regular meetings with residential building managers. Additionally, BPCA increased outreach effort by announcing that it would host quarterly Open Community Meetings beginning in Fiscal Year 2016 to provide updates on Battery Park City initiatives and welcome feedback from the public. Additionally, as part of its commitment to transparency and to further build its relationship with the community, BPCA established a public comment session at its board meetings.

BPCA continued the *Battery Park City Authority Connect*, a monthly email newsletter for residents, employees and friends of Battery Park City. *Connect* features upcoming events throughout the neighborhood, including those managed by Battery Park City Parks as well numerous permitted events, and those hosted by other neighborhood organizations such as Poets House, the Museum of Jewish Heritage: A Living Memorial to the Holocaust, the Battery Park City Library, the Skyscraper Museum and Brookfield Place.

BPCA continued to expand its cultural and programmatic offerings in Battery Park City, supplementing existing Parks programs. With our partners at Brookfield Office Properties and Manhattan Community Board 1, BPCA kicked off the holiday season with Light Up Luminaries, a free community holiday event. BPCA joined its partners at the Albanese Organization and BMW to launch 24/7 access to a fleet of BMW i3 electric vehicles and BMW 3 Series sedans via the *ReachNow* app to residents of The Solaire, the first LEED Gold Certified residential high-rise

in the United States. With partners Brookfield and Island Global Yachting, BPCA coordinated the Community Summer Sail Program with the *Shearwater* and *Ventura* – two historic sailing vessels moored in Battery Park City’s North Cove Marina. The program offered free public sailing trips on selected dates throughout July and August open to the public on a first-come, first-served basis. In order to facilitate fitness and green commuting, BPCA worked with Citi Bike to bring valet service to Battery Park City, ensuring that residents and visitors alike would always have access to a Citi Bike and an open dock.

The Authority strategic goals for 2016 included enhancing neighborhood security and safety. In 2016 BPCA installed security cameras at the field as part of its ongoing efforts to enhance its security for Battery Park City residents and visitors. The cameras are monitored on a 24x7 basis by Battery Park City’s Allied Universal Security Service team, with the feed available both via desktop and mobile device, and supplements Allied’s existing foot and bicycle patrols throughout the neighborhood. BPCA worked with Allied Universal Security Services to conduct a Bike & Child Safety event during the summer, providing instruction and information to help keep kids safe when cycling. With Manhattan CB1, BPCA established a Bicycles Working Group to solicit feedback and develop recommendations for bicycle usage on the Battery Park City Esplanade. The working group will schedule additional meetings in 2017. With Allied Universal, BPCA hosted an informational session for Battery Park City property managers and those charged with preparing their buildings for an emergency event. The program included a presentation about the Battery Park City Community Emergency Response Team’s roles and responsibilities, best practices from the New York City Emergency Management Department, and a question and answer session.

BPCA also provided permits to and worked with many diverse organizations who hosted large events in Battery Park City. Events included:

- The annual Stephen Siller Tunnel to Towers Foundation Walk to honor those who gave their lives on September 11th, 2001 as well as first responders and the military.
- Forced from Home, an interactive educational exhibition set up by Médecins Sans Frontières (Doctors Without Borders) to provide information on the plight of refugees throughout the world.
- In 2016 BPCA issued over one hundred permits for Ball Field use including those for local community groups such as Downtown Little League, Downtown Soccer and the Downtown Giants.
- The New York City Police Memorial honors the officers who gave their lives in the line of duty. Each year there is a memorial service and the NYPD Emerald Society, along with officers and civilians, pay tribute to the service and sacrifice of those whose names are forever etched into the memorial wall.
- The Battery Park City Authority was proud to play a part in bringing the America’s Cup back to New York City for the first time since 1920. More than 180,000 people crowded into North Cove and the Esplanade to view the historic race.
- The Consulate General of Ireland in New York hosted a special event in Wagner Park to celebrate the One Hundred Year commemoration of Ireland’s Independence.
- Kevin Hart brought the energy to Rally Healthfest. The free one day event in Rockefeller Park brought over 5,000 motivated New Yorkers who enjoyed yoga, boot camp fitness, massages, special kids’ programs and more.



- Wagner Park was this year's Dîner en Blanc secret location. The exclusive annual event brought 4,500 white-clad picnickers to Battery Park City for a magical evening.
- Battery Park City continued to be a popular spot for television and film shoots. This year the neighborhood has provided shooting locations for the TV programs *Blue Bloods*, *The Jim Gaffigan Show*, *Mr. Robot*, and *Gotham*, as well as for the upcoming film *Wonderstruck*. Battery Park City has also provided a backdrop for photoshoots for brands such as Ralph Lauren, Kenneth Cole and Nike.

BPCA continued commitment to proving world-class programming for the neighborhood of Battery Park City. Examples include:

- By dramatically cutting rates, offering additional membership benefits and providing discounts for residents, youth and service members, BPCA was able to more than double the membership of the Community Center at Stuyvesant High School. BPCA also hosted its first annual Battery Park City Community Day to help highlight the CCSHS benefits.
- Battery Park City's Swedish Midsummer Festival was declared the largest Midsummer celebration in the world by Leif Pagrotsky, Consul General of Sweden in New York. On June 24, 2016 more than 8,000 celebrants adorned themselves with floral crowns and enjoyed traditional Swedish food, music, folk dances, games and a Midsummer Pole parade. BPCA partnered with the Consulate General of Sweden New York to bring this popular festival to Wagner Park.
- BPC's Holiday Lights spectacular served up free sweet treats warm beverages, and caroling to accompany the annual lighting of the trees in South Cove. The BPC Parks team delivered donated toys from the event to help fulfill holiday wish lists for needy New York City families.
- On Thursday evenings in July, the River & Blues concert series offered blues and American roots musical performances in Wagner Park featuring world-renowned artists Robert Randolph & the Family Band, Amy Helm, Henry Butler, John Hammond and the Daddy Long Legs band.
- Parks Programming has been hosting Go Fish!, a free catch-and-release fishing program for the public, for more than 30 years. These Saturday festivals take place at fantastic Wagner Park; where New York Bay, the Hudson River, and the southern tip of Manhattan converge. Featuring family music performances, art projects, nature walks, and hands-on fishing guided by master anglers these events promote BPC Parks' commitment to ecological stewardship.
- To celebrate Earth Day, BPCA hosted local Battery Park School PS 276 for a day in Wagner Park. Students learned about the Parks' composting practices (using some Parks-made "black gold" for their own take-home planters). Observing the spring bird migration, students also were guided through the gardens of Wagner Park, which create a unique niche for these important and fascinating creatures.
- To celebrate our neighboring river and parks, Young Artists Workshops: Collage participants were invited to tear, cut, and glue to create large group murals. The workshops featured a look at excellent children's book illustrators Eric Carle, Leo Lionni,

and Ezra Jack Keats: all artists whose collage-based work served as inspiration to the participants.

### 1.3 Financial Highlights

- **Credit Ratings**

- The Battery Park City's senior bonds credit rating remains at AAA Stable, the highest attainable credit rating given by the Credit agencies, both Moody's and Fitch.
  - \$56.6 million series 2009A (federally taxable - BABs)
  - \$29 million series 2009B
  - \$323.1 million series 2013A

- **Summary of Fiscal Year 2016 Operating Results**

BPCA achieved excess revenues in the amount of \$177.1 million to be transferred to NYC. Approximately \$135.2 million of PILOT-related excess revenues from operations will be used to fund the City of New York's General Fund. Approximately \$41.9 million will go to the NYC Housing Development Corporation's 421-a fund and the pay-as-you-go capital fund.

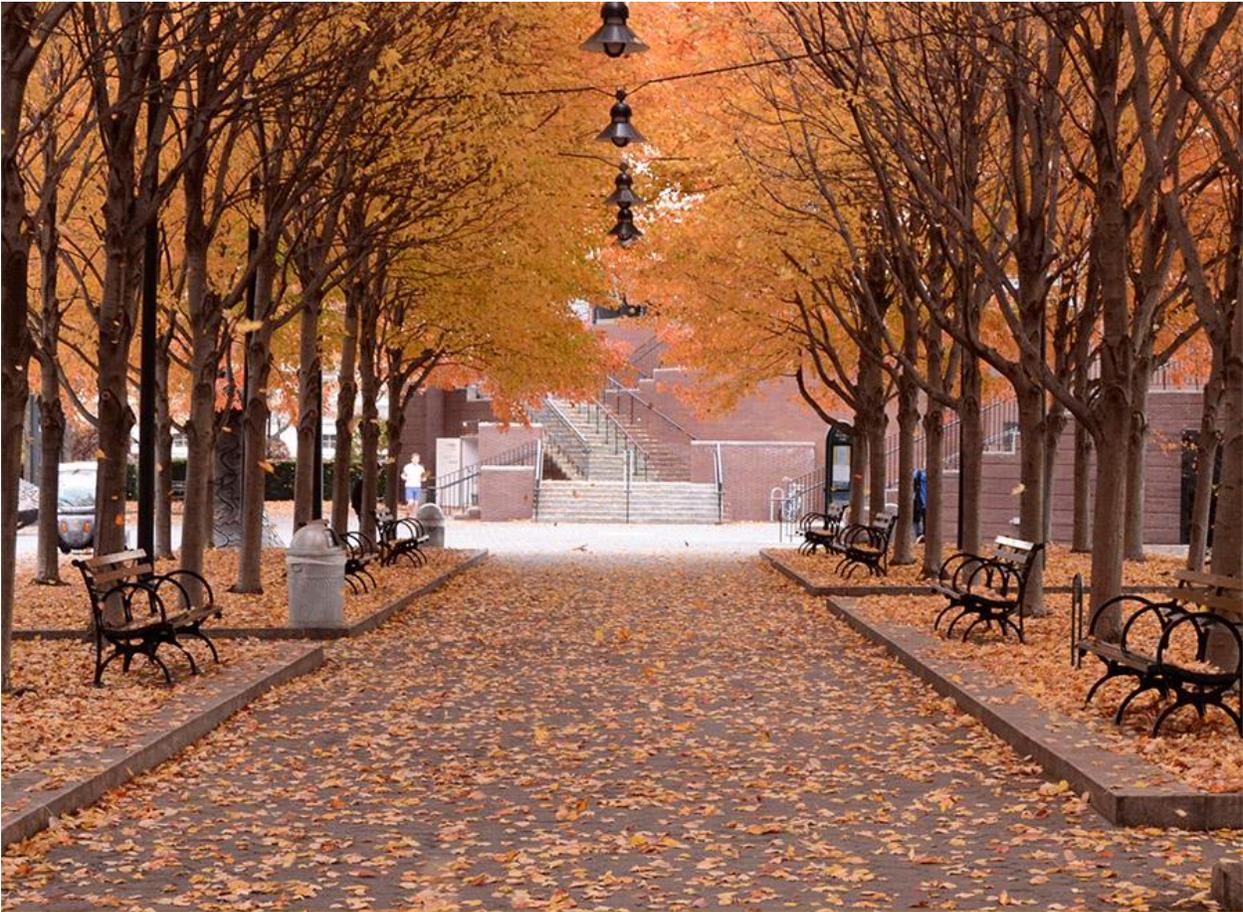
BPCA has satisfied the \$200 million funding obligation under the 2010 Settlement Agreement for New York City's HDC 421-a housing fund. The FY 2016 amount of \$41.9 million will be the third payment applied to the remaining \$261 million pay-as-you-go obligation for NYC housing under this agreement, for a cumulative total approximately of \$89.4 million.

- **Operating Budget for Fiscal Year ending October 31, 2017**

- The FY17 Operating Budget of \$27.85 million is approximately \$19,000 less than the FY16 budget of \$27.86 million. BPCA was under budget for FY16.
- The FY17 budget is the lowest proposed budget in the last fourteen years and reflects BPCA's continuing efforts to control costs, increase efficiencies, and utilize a zero based budget approach.

- **Overall**

As of Fiscal Year End 2016, BPCA has cumulatively produced \$3.3 billion in excess revenues for the benefit of the City of New York.



## 2. Financial Reports

## 2. Financial Reports

### 2.1 Summary

The fiscal year ended October 31, 2016 yielded a total of \$279.2 million in operating revenues, representing an increase of approximately \$12.7 million or 4.8% over the prior fiscal year. Payments in lieu of real estate taxes (“PILOT”) revenue totaling approximately \$205 million (approximately 73% of the Authority’s operating revenues for the fiscal year ended October 31, 2016) increased \$9.9 million or 5% compared to the fiscal year ended October 31, 2015. Base rent increased approximately \$1.6 million or 2.74% to \$59.6 million for the fiscal year ended October 31, 2016. Civic facilities and other operating revenues increased \$1.5 million or 13% to \$13.2 million for the fiscal year ended October 31, 2016. Total operating expenses decreased a net \$7.4 million or 14% to \$46.3 million for the fiscal year ended October 31, 2016.

A payment of \$123.4 million was made in June 2016 towards the provision for the transfer to the City of New York (the “City”) for the fiscal year ended October 31, 2015. A \$135.2 million liability was recorded representing the PILOT-related portion of Fiscal Year 2016 excess revenues that was charged to nonoperating expense for the fiscal year ended October 31, 2016, an increase of \$11.8 million as compared to the fiscal year ended October 31, 2015. Generally, the Authority’s net position decreases with increases in the amount of excess revenues provided to the City, which has an adverse effect on the Authority’s net position.

As of October 31, 2016, the City did not request the “pay-as-you-go” housing payment and the Authority did not transfer the \$37.2 million recorded for fiscal year ended October 31, 2015. Pursuant to the 2010 Agreement, the Authority recorded an additional liability of \$41.9 million for the fiscal year ended October 31, 2016, as an expected payment to the City, resulting in a total liability of \$79.4 million due to the City at October 31, 2016.

As of October 31, 2016, \$68.8 million remained in the Project Cost funds to be used for certain park, street, other infrastructure improvements, and other capital expenditures (see note 8), as compared to \$78 million as of October 31, 2015.

The Authority implemented GASB Statement No. 77, *Tax Abatement Disclosures*, which requires financial statements to disclose the nature and magnitude of the reduction in tax revenues through tax abatement programs. Accordingly, the financial statements include tax abatement disclosures for the years ending October 31, 2016 and 2015.

#### ***Summary Schedule of Revenues, Expenses, and Changes in Net Position (Deficit)***

Below is a summary of the Organization’s revenues, expenses, and changes in net deficit for the fiscal years ended October 31, 2016 and 2015:



	<b>October 31</b>		<b>2016 vs</b>
	<b>2016</b>	<b>2015</b>	<b>2015</b>
<b>Operating revenues:</b>			
Revenues from ground leases:			
Base rent	\$ 59,617,836	58,025,998	1,591,838
Supplemental rent	1,336,024	1,652,149	(316,125)
Payments in lieu of real estate taxes	204,988,037	195,048,129	9,939,908
Civic facilities payments and other	13,227,308	11,707,540	1,519,768
Total operating revenues	<u>279,169,205</u>	<u>266,433,816</u>	<u>12,735,389</u>
<b>Operating expenses:</b>			
Wages and related benefits	14,440,199	20,922,843	(6,482,644)
OPEB	2,555,391	2,715,775	(160,384)
Other operating and administrative expenses	19,759,574	20,758,634	(999,060)
Depreciation and amortization	9,551,887	9,332,348	219,539
Total operating expenses	<u>46,307,051</u>	<u>53,729,600</u>	<u>(7,422,549)</u>
Operating income	<u>232,862,154</u>	<u>212,704,216</u>	<u>20,157,938</u>
<b>Nonoperating revenues (expenses):</b>			
Investment and other income	4,066,232	2,890,713	1,175,519
Other revenue	6,958,307	4,406,019	2,552,288
Loss on project assets	(201,351)	-	(201,351)
Interest expense, net	(34,322,118)	(34,509,014)	186,896
Bond issuance costs	-	-	-
Provision for transfer to the Port Authority of NY & NJ	-	-	-
Provision for transfer to the City of New York	(135,219,838)	(123,403,732)	(11,816,106)
Provision for transfer to the City of New York - 2010 Agreement	(41,920,382)	(37,190,169)	(4,730,213)
Provision for transfer to New York State - Route 9A Agreement	(576,174)	(1,786,129)	1,209,955
Provision for transfer to - Eastern Border Pier A and Pier A Plaza construction pass through NYC	(574,654)	(836,891)	262,237
Total nonoperating expenses, net	<u>(203,497,619)</u>	<u>(190,429,203)</u>	<u>(13,068,416)</u>
Change in net position (deficit)	29,364,535	22,275,013	7,089,522
Net deficit, beginning of year	(644,448,550)	(666,723,563)	22,275,013
Effect of adoption of GASB 68	-	-	-
Net (deficit), beginning of year	<u>(644,448,550)</u>	<u>(666,723,563)</u>	<u>22,275,013</u>
Net deficit, end of year	<u>\$ (615,084,015)</u>	<u>(644,448,550)</u>	<u>29,364,535</u>

**Operating Revenues**

**2016 vs. 2015**

Overall operating revenues for the year ended October 31, 2016 totaled \$279.2 million, approximately a net of \$12.7 million higher than the year ended October 31, 2015. Lease revenues consist primarily of base (land) rent and PILOT from long-term leaseholds.

Base rent increased \$1.6 million from \$58 million for the year ended October 31, 2015. PILOT revenue totaling approximately \$205 million (approximately 73% of the total operating revenues for the fiscal year ended October 31, 2016), increased by \$9.9 million over the fiscal year ended October 31, 2015, primarily due to an increase in PILOT revenue from the commercial towers. The change in civic facility payments and other is a \$1.5 million increase from \$11.7 million for the year ended October 31, 2015 to \$13.2 million for the year ended October 31, 2016.

### ***Operating Expenses***

#### ***2016 vs. 2015***

Operating expenses totaled approximately \$46.3 million for the fiscal year ended October 31, 2016, representing a net \$7.4 million decrease compared to the fiscal year ended October 31, 2015. The expenses include: wages and related benefits; OPEB; operating and administrative expenses such as security, insurance, rent, maintenance, transportation, legal, financial, and promotional; planning/design expenditures; and depreciation and amortization.

Wages and related benefits totaling \$14.4 million decreased \$6.5 million over the previous fiscal year ended October 31, 2015, primarily due to the payment of \$6.5 million to withdraw from the Conservancy's CIRS pension plan.

*OPEB* - Expenses for the Organization decreased for the fiscal year ended October 31, 2016 by \$161 thousand. OPEB costs represent a pro rata share of annual interest and normal costs for postemployment medical benefits for all eligible current employees in accordance with GASB Statement No. 45.

Other operating and administrative expenses of approximately \$20 million decreased by \$1 million for the year ended October 31, 2016, primarily due to the decrease of \$720 thousand for the infrastructure study and the decrease of the annual New York State cost recovery fee of \$400 thousand for the year ended October 31, 2016 as compared to 2015.

Depreciation and amortization expenses recorded for the fiscal year ended October 31, 2016 of \$9.6 million was \$220 thousand higher than the year ended October 31, 2015.

### ***Nonoperating Revenues (Expenses)***

#### ***2016 vs. 2015***

Total nonoperating expenses were approximately a net \$13 million higher for the year ended October 31, 2016 than the year ended October 31, 2015. A provision for a transfer to the City of \$135.2 million in excess revenues was charged to expense for the year ended October 31, 2016, an increase of approximately \$11.8 million from the year ended October 31, 2015. In addition, a

provision for transfer to the City for the 2010 Agreement of \$41.9 million was charged to expense for the year ended October 31, 2016, an increase of approximately \$4.7 million from the year ended October 31, 2015. The Authority expended approximately \$575 thousand of capital improvements to Pier A, which is a City-owned asset, and accordingly recorded a provision for transfer to the City for that amount for the fiscal year ended October 31, 2016. The amount expended for the fiscal year ended October 31, 2015 was approximately \$836 thousand, a decrease of approximately \$262 thousand. The Authority recorded approximately \$576 thousand for the year ended October 31, 2016 relating to the provision for transfer to New York State for the Route 9A Agreement which was approximately \$1.2 million lower than the year ended October 31, 2015.

Interest and other income increased by \$1.2 million primarily due to restructuring the long-term investment portfolio during the year ended October 31, 2016. Other revenue increased \$2.5 million as a result of the South Street Liberty Bridge renovations by Brookfield. Net interest expense related to outstanding bonds decreased \$187 thousand, primarily due to the lower costs of capital, compared to the year ended October 31, 2015.

### ***Change in Net Position (Deficit)***

The total net deficits at October 31, 2016 and 2015 were \$615 million and \$644 million, respectively.

## **2.2 Assets and Liabilities (Summary Statement of Net Position)**

The summary statement of net position presents the financial position of the Organization. The net position (deficit) is the difference between total assets plus total deferred outflows of resources and total liabilities plus the deferred inflows of resources. A summarized comparison of the Organization's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position (deficit) at October 31, 2016 and 2015 follows:



	<b>October 31</b>		<b>2016 vs</b>
	<b>2016</b>	<b>2015</b>	<b>2015</b>
<b>Assets:</b>			
Bank deposits, investments and rents and other receivables	\$ 11,033,774	6,009,189	5,024,585
Bond resolution restricted assets (current and noncurrent)	385,252,081	380,529,375	4,722,706
Battery Park City project assets, net	497,381,380	493,250,767	4,130,613
Other current and noncurrent assets	139,312,095	100,351,863	38,960,232
Total assets	<u>1,032,979,330</u>	<u>980,141,194</u>	<u>52,838,136</u>
<b>Deferred Outflows of Resources:</b>			
Deferred pension outflows	2,751,720	106,951	2,644,769
Accumulated decrease in fair value of interest rate swaps	35,007,049	25,819,426	9,187,623
Unamortized loss on extinguishment of bonds	19,949,119	21,275,029	(1,325,910)
Deferred costs of refunding, less accumulated amortization	58,784,046	62,564,700	(3,780,654)
Total deferred outflows of resources	<u>116,491,934</u>	<u>109,766,106</u>	<u>6,725,828</u>
Total assets and deferred outflows of resources	<u>\$ 1,149,471,264</u>	<u>1,089,907,300</u>	<u>59,563,964</u>
<b>Liabilities:</b>			
Current liabilities	\$ 318,929,885	259,442,374	59,487,511
Long-term liabilities	1,445,208,491	1,474,878,803	(29,670,312)
Total liabilities	<u>1,764,138,376</u>	<u>1,734,321,177</u>	<u>29,817,199</u>
<b>Deferred Inflows of Resources:</b>			
Deferred pension inflows	416,903	34,673	382,230
Total deferred inflows of resources	<u>416,903</u>	<u>34,673</u>	<u>382,230</u>
<b>Net Position (Deficit):</b>			
Invested in capital assets, net of related debt	(4,284,501)	(13,840,713)	9,556,212
Restricted	63,877,166	64,593,562	(716,396)
Unrestricted	(674,676,680)	(695,201,399)	20,524,719
Total net deficit	<u>(615,084,015)</u>	<u>(644,448,550)</u>	<u>29,364,535</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 1,149,471,264</u>	<u>1,089,907,300</u>	<u>59,563,964</u>

***Assets and Deferred Outflows of Resources***

***2016 vs. 2015***

At October 31, 2016, the Organization maintained total assets and deferred outflows of resources of approximately \$1.15 billion, approximately \$59.56 million higher than \$1.09 billion at October 31, 2015.

### ***Bank Deposits, Investments, Rents and Other Receivables***

#### ***2016 vs. 2015***

Bank deposits, investments, and rents and other receivables held at October 31, 2016 increased approximately \$5 million over the same period last year. Bank deposits and investments increased by \$5.3 million and rents and other receivables decreased by approximately \$300 thousand. The increase in bank deposits and investments primarily relates to deposits into the unpledged revenue fund for real estate transactions and the receipt of prior period receivables.

### ***Bond Resolution Restricted Assets***

#### ***2016 vs. 2015***

Bond resolution restricted assets are funds and accounts established in accordance with the 2003, 2009 and 2013 Revenue Bond resolutions. Such assets of approximately \$385.3 million at October 31, 2016 were approximately \$70.4 million higher than the fair value of assets held at October 31, 2015 of \$314.9 million. Bond resolution restricted funds of \$65.6 million were not included in the \$314.9 million at October 31, 2015. These funds were held in transit and were recorded in the financial statements as Bond resolution fund receivables.

Funds held in the Pledged Revenue Fund (“PRF”) at October 31, 2016 were approximately \$10.6 million more than funds held at October 31, 2015. Funds held in the Debt Service Funds at October 31, 2016 were \$61.3 million higher than funds at October 31, 2015.

Funds held in the Project Operating Fund were approximately \$430 thousand higher at October 31, 2016 compared to 2015.

Funds held in the Residual Fund for payment to the City at October 31, 2016 were approximately \$272 thousand higher than at October 31, 2015.

Funds held under the resolution for project infrastructure and certain other asset costs were \$68.8 million as of October 31, 2016, approximately \$9.1 million less than funds held at October 31, 2015.

### ***Project Assets***

At October 31, 2016, the Authority’s investment in project assets, net of accumulated depreciation, was \$497.4 million, an increase of \$4.1 million over October 31, 2015. The Battery Park City project (“Project”) consists of approximately 92 acres of landfill created, owned, and operated by the Authority. The Project’s development plan includes approximately 35 acres of parkland and open spaces and provides for the construction, by private developers, of approximately 10.7 million square feet of office space, retail space, a marina, two hotels, a



multiplex cinema, museums, three public schools, a public library, and approximately 8,600 residential units.

The Authority's project assets include land, site improvements, and a residential building constructed by the Authority on Site 22. Additionally, condominium units owned by the Authority on Sites 1, 3, 16/17, and a community center on Sites 23 and 24, and related infrastructure improvements are included in project assets. The balances at October 31, 2016 and 2015 were as follows:

	<u>October 31</u>		<u>2016 vs 2015</u>
	<u>2016</u>	<u>2015</u>	
Land	\$ 83,015,653	83,015,653	-
Site improvements	412,761,516	400,143,567	12,617,949
Residential building and condominium units	<u>136,974,472</u>	<u>136,501,422</u>	<u>473,050</u>
	632,751,641	619,660,642	13,090,999
Less: accumulated depreciation	<u>(135,370,261)</u>	<u>(126,409,875)</u>	<u>(8,960,386)</u>
Total Battery Park City project assets	<u>\$ 497,381,380</u>	<u>493,250,767</u>	<u>4,130,613</u>

**2016 vs. 2015**

For the year ended October 31, 2016, the increase to site improvements of approximately \$12.6 million relates to the esplanade and restoration of piles, work on Site 3 headquarters, as well as bridge improvements and other minor capital improvements.

**Other Current and Noncurrent Assets**

Other current and noncurrent assets at October 31, 2016 and 2015 were as follows:

	<u>October 31</u>		<u>2016 vs 2015</u>
	<u>2016</u>	<u>2015</u>	
Residential lease required funds	\$ 27,304,097	27,277,629	26,468
Corporate-designated, escrowed and OPEB funds	107,248,304	68,291,703	38,956,601
Other assets	<u>4,759,694</u>	<u>4,782,531</u>	<u>(22,837)</u>
Total other current and noncurrent assets	<u>\$ 139,312,095</u>	<u>100,351,863</u>	<u>38,960,232</u>

### 2016 vs. 2015

Total other current and noncurrent assets increased approximately \$39 million from \$100 million at October 31, 2015 to \$139.3 million at October 31, 2016.

Residential lease required funds, which include security deposits held for condominium buildings, increased by \$26 thousand. Overall, corporate-designated, escrowed and OPEB funds increased approximately \$39 million from October 31, 2015. The increase is primarily due to \$37.2 million in the Joint Purpose Fund that relates to the prior year's liability for transfer to the City for the 2010 agreement, which has not been requested or transferred to the City as of October 31, 2016. Deposits and interest earnings on the Organization's OPEB funds accounted for approximately a \$1.8 million increase.

### Deferred Outflows of Resources

Deferred outflows of resources at October 31, 2016 and 2015 are as follows:

	<u>October 31</u>		<u>2016 vs</u>
	<u>2016</u>	<u>2015</u>	<u>2015</u>
Deferred Outflows of Resources:			
Deferred pension outflows	\$ 2,751,720	106,951	2,644,769
Accumulated decrease in fair value of interest rate swaps	35,007,049	25,819,426	9,187,623
Unamortized loss on extinguishment of bonds	19,949,119	21,275,029	(1,325,910)
Deferred costs of refunding, less accumulated amortization	58,784,046	62,564,700	(3,780,654)
Total deferred outflows of Resources	<u>\$ 116,491,934</u>	<u>109,766,106</u>	<u>6,725,828</u>

### 2016 vs. 2015

The total Deferred Outflows of Resources increased approximately \$7 million from \$109.8 million at October 31, 2015 to \$115.8 million at October 31, 2016.

Deferred pension outflows increased by \$2.6 million from \$107 thousand at October 31, 2015 to \$2.75 million at October 31, 2016, which represents the Authority's portion of the deferred pension outflows from the New York State pension plan.

The interest rate swap agreements, which continue in effect and continue as an effective hedge, had a negative fair value of \$25.8 million at October 31, 2015, which increased by \$9.2 million to \$35 million at October 31, 2016. The negative fair value is recorded as a liability in the Authority's statement of net position.

The unamortized loss on extinguishment of the 1993, 1996, 2000, and 2003 bonds decreased by \$1.3 million from October 31, 2015 to October 31, 2016. The decrease is a result of the current year amortization.

The deferred cost of refunding decreased by \$3.8 million from October 31, 2015 to October 31, 2016. The decrease is a result of the current year amortization.



**Liabilities**

Total liabilities at October 31, 2016 and 2015 were as follows:

	<u>October 31</u>		<u>2016 vs 2015</u>
	<u>2016</u>	<u>2015</u>	
Current liabilities:			
Accrued interest on bonds	\$ 16,979,613	17,253,706	(274,093)
Accounts payable and other liabilities	9,872,399	7,356,275	2,516,124
Accrued pension payable	2,357,307	519,940	1,837,367
Due to the City of New York	135,836,055	124,019,949	11,816,106
Due to the City of New York 2010 Agreement	79,363,715	37,443,333	41,920,382
Due to the Port Authority of NY & NJ	869,381	869,381	-
Unearned revenue	47,421,677	46,465,052	956,625
Security and other deposits	4,738	4,738	-
2009 Revenue Bonds	335,000	315,000	20,000
2013 Revenue Bonds	25,890,000	25,195,000	695,000
Total current liabilities	<u>318,929,885</u>	<u>259,442,374</u>	<u>59,487,511</u>
Noncurrent liabilities:			
Unearned revenue	260,739,758	268,740,158	(8,000,400)
Security and other deposits	27,706,661	27,598,354	108,307
OPEB	36,334,354	34,390,023	1,944,331
Fair value of interest rate swaps	35,007,049	25,819,426	9,187,623
Imputed borrowing	58,784,046	62,564,700	(3,780,654)
Bonds outstanding:			
2009 Revenue Bonds	86,661,548	87,069,396	(407,848)
2013 Revenue Bonds	939,975,075	968,696,746	(28,721,671)
Total noncurrent liabilities	<u>1,445,208,491</u>	<u>1,474,878,803</u>	<u>(29,670,312)</u>
Total liabilities	<u>\$ 1,764,138,376</u>	<u>1,734,321,177</u>	<u>29,817,199</u>

**2016 vs. 2015**

The Organization's total liabilities increased approximately \$29.8 million from \$1.73 billion at October 31, 2015 to \$1.76 billion at October 31, 2016.

Total liabilities comprise amounts due to the City, accrued interest on bonds, unearned revenue, security and other deposits, postemployment benefits, outstanding bonds, fair value of interest rate swaps, imputed borrowing and accounts payable and accrued expenses and bond resolution fund payables.

The \$29.8 million increase in total liabilities is due to:

- a \$274 thousand decrease in accrued interest payable on bonds from \$17.3 million at October 31, 2015 to \$17 million at October 31, 2016.
- a \$2.5 million increase in accounts payable and other liabilities from \$7.4 million at October 31, 2015 to \$9.8 million at October 31, 2016. The change is primarily due to approximately



\$2.9 million of accrued expenses for the investment purchases that were in transit at October 31, 2016 and which settled in November 2016.

- a \$1.8 million increase in accrued pension payable relates to the Authority's liability portion of the New York State pension plan.
- a \$135.8 million liability was recorded for the fiscal year ended October 31, 2016, which includes fiscal 2016 PILOT-related excess revenues to be transferred to the City, an increase of \$11.8 million from the prior fiscal year provision of \$124 million.
- a \$41.9 million liability was recorded for the fiscal year ended October 31, 2016, as an expected payment to the City under the provisions of the 2010 Agreement.
- a \$7 million decrease to \$308 million in total unearned revenue from \$315 million at October 31, 2015 primarily due to revenue of \$11 million recognized on leases. The \$11 million decrease amount is offset by an upfront lease payment of \$4 million.
- a \$108 thousand increase in total security and other deposits to \$27.7 million at October 31, 2016. Security deposits are held for condominiums and not rentals.
- a \$1.9 million net increase in OPEB liability relating to the annual normal cost incurred for current employees and interest expense, offset by actual costs for retiree benefits paid. The Organization had a \$36.3 million OPEB liability at October 31, 2016. The annual required OPEB obligation is increased by normal costs for current employees and interest expense and offset by an amortization credit and the actual cost of retiree benefits paid during the year.
- the interest rate swap agreements, which continue in effect and continue as an effective hedge, had a negative fair value of \$35 million at October 31, 2016. The negative fair value of \$35 million is recorded as a deferred outflow of resources and a liability on the Authority's statement of net position. This value increased \$9.2 million, from a negative fair value of \$25.8 million at October 31, 2015.
- a \$3.8 million decrease in the imputed borrowing represents the current period amortization of the fair value of the bifurcated Swaps. The \$70.1 million is being amortized using the straight-line method over the remaining life of the original 2003 bonds.
- a \$388 thousand decrease in 2009 Revenue Bonds outstanding relating to the payment of principal of \$315 thousand and a \$73 thousand decrease due to the amortization of the net bond premium.
- a \$28.1 million decrease in 2013 Revenue Bonds outstanding relating to the payment of \$25.2 million and a \$2.9 million decrease due to the amortization of the net bond premium.



**Deferred Inflows of Resources**

	<u>October 31</u>		<u>2016 vs</u>
	<u>2016</u>	<u>2015</u>	<u>2015</u>
Deferred Inflows of Resources:			
Deferred pension inflows	\$ 416,903	34,673	382,230
Total deferred inflows of resources	<u>\$ 416,903</u>	<u>34,673</u>	<u>382,230</u>

**2016 vs. 2015**

The \$417 thousand at October 31, 2016 represents the Authority's portion of the deferred pension inflows from the New York State pension plan.

**Net Position (Deficit)**

	<u>October 31</u>		<u>2016 vs</u>
	<u>2016</u>	<u>2015</u>	<u>2015</u>
Net Position (deficit):			
Invested in capital assets, net of related debt	\$ (4,284,501)	(13,840,713)	9,556,212
Restricted	63,877,166	64,593,562	(716,396)
Unrestricted	<u>(674,676,680)</u>	<u>(695,201,399)</u>	<u>20,524,719</u>
Total net position (deficit) \$	<u>(615,084,015)</u>	<u>(644,448,550)</u>	<u>29,364,535</u>

**2016 vs. 2015**

The change in total net position from October 31, 2015 represents a positive change in the deficit position of \$29.4 million from \$644 million at October 31, 2015 to \$615 million at October 31, 2016.

Invested in capital assets, net of related debt, was a deficit of \$4.3 million and \$13.8 million at October 31, 2016 and 2015, respectively. Although investment in capital assets is reported net of related debt, the resources needed to repay this debt must be provided from other sources, since capital assets cannot be used to liquidate these liabilities. The Organization's \$63.9 million of restricted net position at October 31, 2016 represent resources that are subject to various external restrictions on how they may be used. These assets are generally restricted under bond resolutions and other agreements and for debt service.

The remaining balance is classified as an unrestricted deficit totaling \$674.7 million at October 31, 2016 resulting from the cumulative net excess revenues, which are transferred to the City annually.



### 3. Mission Statement and Performance Measures

### **3. Mission Statement and Performance Measures**

#### **3.1 Background**

The Hugh L. Carey Battery Park City Authority (the “Authority”) is a public benefit corporation created in 1968, by the New York State Legislature, to be responsible for planning, developing and sustaining the residential, commercial, parks and open space located along the Hudson River at the tip of Lower Manhattan in New York City (the “City”). Home to 17,000 people, the work place of 40,000 more, and visited by countless thousands of people a year, New York’s Battery Park City is an asset to both the State and City.

According to the Battery Park City Master Plan of 1979, Battery Park City was envisioned not to be a self-contained community, but rather a neighborhood woven into the fabric of this great city. Through its contributions, the Authority is deeply committed to the mission of providing resources for the good of neighborhoods across the five boroughs.

The commitment to sustainability is deeply ingrained in both the Authority and its affiliate, the Battery Park City Parks Conservancy (the “Conservancy”). The Conservancy has implemented sustainable horticultural and maintenance practices throughout the parks system for decades. The first “Green Guidelines” for new residential construction were issued in 2000 to establish a process that is for the creation of environmentally responsible buildings.

Through its layout and geographic orientation, Battery Park City is an intentionally knitted extension of the City’s streets and blocks. The names of streets heading east and west are purposely the same as those on the opposite side of West Street. Battery Park City was never considered an addition to New York City, but rather, a continuation of this dynamic City’s development into the 21<sup>st</sup> century.

#### **3.2 Public Benefit**

All decisions will reflect the public interest and support a public benefit to the Authority’s stakeholders; the City, the Authority’s tenants, residents and workers in Battery Park City, the downtown community, and tourists/visitors to Battery Park City, in the development of properties, creation of spaces, and in the provision of opportunity to the M/WBE community to share in the economic growth of the Battery Park City community. As an integral part of the Lower Manhattan fabric, the Authority will seek to cooperate with and support both public and private sector entities whose missions are in concert with that of the Authority, and whose efforts directly benefit furtherance of same.

#### **3.3. Mission Statements**

Battery Park City Authority:

*The Hugh L. Carey Battery Park City Authority is a New York State public benefit corporation whose mission is to plan, create, co-ordinate and sustain a*

*balanced community of commercial, residential, retail, parks and open space within its designated 92-acre site on the lower west side of Manhattan.*

Battery Park City Parks Conservancy:

*The Battery Park City Parks Conservancy's mission is to manage, maintain, operate, repair, preserve and program activities to a world class standard for the residential parks, open space, and other public structures located on the 92 acre Battery Park City site on the lower west side of Manhattan.*

### **The Mission Will be Accomplished by Following these Core Values:**

#### *Public-Private Partnerships*

Public-private partnerships will continue to be the model for private sector development utilizing a competitive public bid process to optimize value.

#### *Balance and Esthetics*

New development will continue according to the approved Master Plan utilizing adaptable and sustainable quality design to create a model mixed use development which exemplifies excellence in architecture and urban planning.

#### *Environmental Responsibility*

All new development, as well as maintenance of parks, public spaces, and other property under Authority stewardship, will employ the latest high-performance environmental designs and techniques available.

### **3.4 Performance Measures**

#### Office Building Development

- The Authority has completed development of the office buildings on its site.

#### Residential Building Development

- The Authority has completed construction on the last residential building on site, although certain buildings are being renovated by their owners.

#### Public Building Development

- Pursuant to an agreement with New York City, the Authority was tasked with redeveloping Pier A. The Authority completed the Pier A restoration work in accordance with a design which adhere to its "green" construction standards while preserving the landmarked historic features of the Pier and transforming Pier A into a Downtown New York destination and revenue producing asset.

- The Authority owns condo units around Battery Park City, which are used by museums, a public library, a community center and other cultural institutions.

#### Battery Park City Community Center (the “Community Center”)

- Asphalt Green was chosen as the operator of the Community Center pursuant to a public procurement process. The Community Center, which opened in June 2013 and is located in certain of the Authority’s condo units, is home to two swimming pools, a gymnasium, a fitness center, several classrooms, a teaching kitchen and a theater/auditorium. In addition, the Authority operates an affordable community center out of Stuyvesant High School, which includes a half-Olympic sized pool, basketball courts, gym, fitness equipment and other amenities during Community Center hours of operation. Members can also enjoy free programs and classes such as swimming lessons, badminton, yoga, tai chi and many more. Discounted rates are available to Battery Park City residents, veterans, and seniors.

#### Battery Park City’s World Class Park System

- While the Battery Park City park system is largely built out there is a continuing need for infrastructure maintenance. The Authority annually reviews the maintenance and construction needs of the park system and updates its maintenance and its construction plans accordingly.

Maximize revenues/collect rents and PILOTs due under leases, etc. and minimize operating costs.

- The Authority has been reviewing and continues to review its commercial core leases to ensure that all revenues due to it under these leases are being collected, including periodic audits of leases. Also, it is currently pursuing arbitration to ensure that lease provisions are interpreted in such a way as to maximize these revenue streams.
- The Authority’s Fiscal Year 2017 operating budget is the lowest annual budget in 14 years even as discretionary spending has increased.

Maintain high credit ratings, minimize cost of debt service, and mitigate interest rate market risk on variable rate debt in a rising interest rate environment.

- On October 23, 2013, the Authority issued \$356,085,000 (\$407,120,987 inclusive of net premium) of fixed-rate tax exempt Senior Revenue Bonds, Series 2013A (the “2013 Series A Bonds”) and \$6,700,000 (\$6,889,064 inclusive of net premium) of federally taxable, fixed-rate Senior Revenue Bonds, Series 2013B (the “2013 Series B Bonds”), for a total of \$414,010,051 fixed rate bonds. In addition, the Authority directly placed \$609,530,000 variable-rate Junior Revenue Bonds with three banks and bank affiliates, comprising \$210,865,000 of Junior Revenue Bonds Series 2013C (the “2013 Series C Bonds”), \$199,330,000 of Junior Revenue Bonds Series 2013D (the “2013 Series D Bonds”), and \$199,335,000 of Junior Revenue Bonds

Series 2013E (the “2013 Series E Bonds”) for a total of \$1,023,540,051. Proceeds from the 2013 Bonds were used to currently refund all Senior 2003 Series A Bonds (with the exception of \$16.1 million, paid November 1, 2013) and all Junior 2003 Series B and C Bonds; to finance \$85 million of infrastructure and other capital improvements; and to finance approximately \$10.8 million of bond issuance costs.

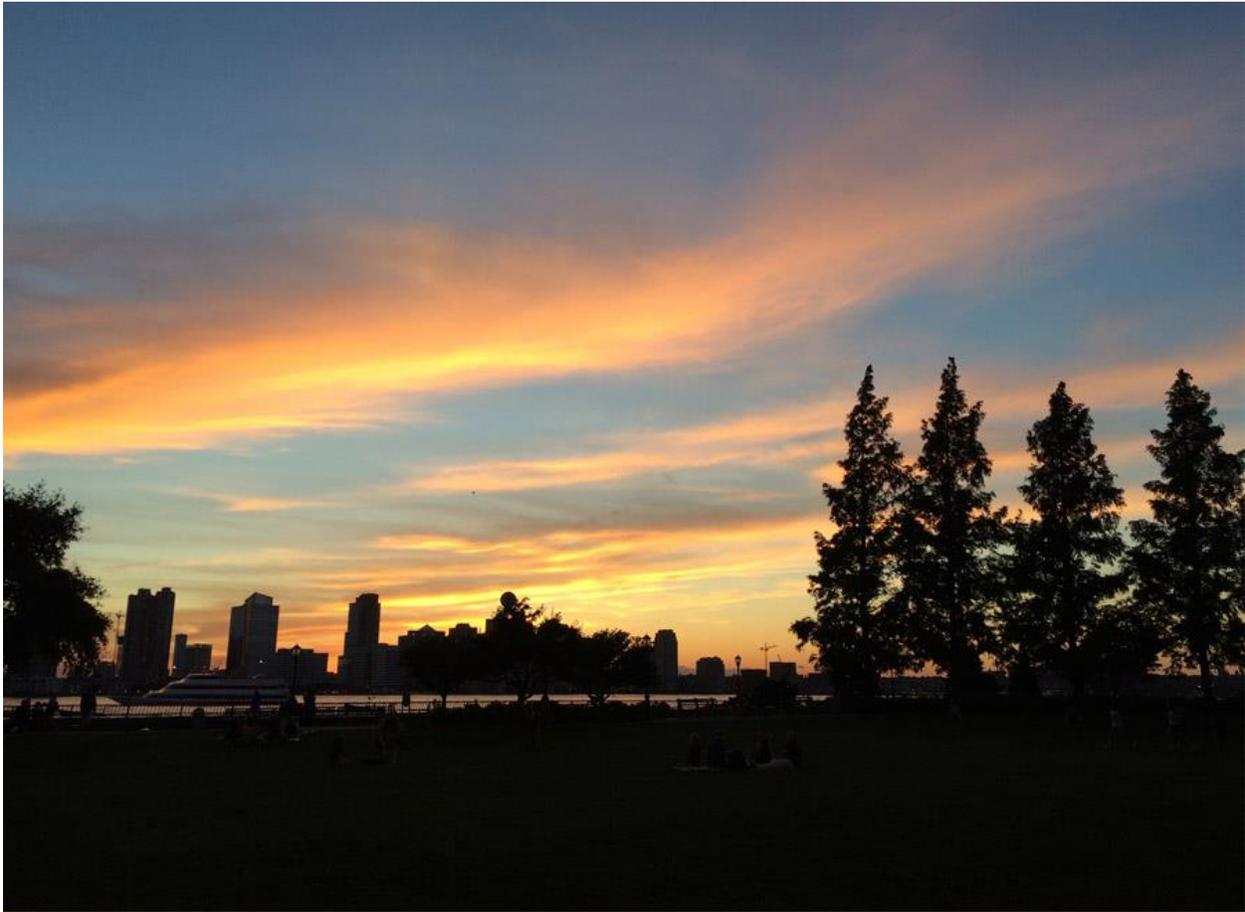
- The Authority achieved the highest credit rating of triple “AAA” given by the credit agencies for its senior lien debt (uninsured, revenue bonds) and a true fixed-rate interest cost of 2.77%.
- Each series of the approximately \$609,530,000 2013 Series C, D and E Bonds initially bears interest monthly at a variable rate based on a percentage of one-month LIBOR plus a fixed spread. The junior lien variable rate bonds credit rating was upgraded to Aa2 and in the new junior lien bonds refunded auction rate securities which were resetting at a 2x LIBOR rate. The credit rating on junior lien variable rate date was upgraded while lowering the costs of capital and mitigating future interest rate market risks.

#### Advance sustainable development/operation of Battery Park City

- The construction of Pier A and the Community Center were accomplished in accordance with the Authority’s “green” design and construction guidelines. Additionally, the Authority is reviewing the feasibility of incorporating additional updated sustainable technologies within existing Battery Park City buildings.

#### Maximize opportunities for M/WBE participation in Authority contracts and development projects

- The Authority has a long track record of successfully utilizing M/WBE firms to help achieve our mission. The Authority has been able to consistently meet or exceed our annual targets because the Authority has not only adopted aggressive M/WBE goals but has maintained a strong outreach effort in order to expand the network of available firms as well an extensive monitoring program to ensure that we meet our goals. During Fiscal Year 2016, the Authority built on our already strong program and sought new avenues for increasing our program participation. For the 2016 fiscal year, the Authority achieved 33% M/WBE utilization.



## 4. Debt Administration

## 4. Debt Administration

**Debt Administration** –The 2009 Revenue Bonds, issued in December 2009, totaling \$89 million, included \$56.6 million of federally taxable Build America Bonds and \$32.5 million (including a net premium) of tax-exempt bonds. At October 31, 2016, the Authority was responsible for debt service on the 2009 Revenue Bonds of \$85.7 million (see note 16).

	<u>Outstanding debt</u>	<u>Fitch</u>	<u>Moody's</u>	<u>Standard &amp; Poor's (S&amp;P)</u>
2009 Senior Revenue A Bonds	\$ 56,600,000	AAA	Aaa	Not rated
2009 Senior Revenue B Bonds	29,085,000	AAA	Aaa	Not rated

The 2013 Revenue Bonds, issued in October 2013, totaling \$1.02 billion, included \$407.1 million (inclusive of net premium) of fixed-rate tax exempt Senior Revenue Bonds Series A and \$6.9 million (inclusive of net premium) of federally taxable, fixed-rate Senior Revenue Bonds, Series B. In addition, the Authority directly placed \$609.5 million variable-rate Junior Revenue Bonds with three banks, comprising \$210.9 million of Series C, \$199.3 million of Series D, and \$199.3 million of Series E (see notes 12 and 16). At October 31, 2016, the Authority was responsible for debt service on the 2013 Revenue Bonds of \$923.4 million.

	<u>Outstanding debt</u>	<u>Fitch</u>	<u>Moody's</u>	<u>Standard &amp; Poor's (S&amp;P)</u>
2013 Senior Revenue A Bonds	\$ 323,135,000	AAA	Aaa	Not Rated
2013 Junior Revenue C Bonds	208,440,000	Not Rated	Aa2	Not Rated
2013 Junior Revenue D Bonds	195,905,000	Not Rated	Not Rated	Not Rated
2013 Junior Revenue E Bonds	195,910,000	Not Rated	Not Rated	Not Rated

### 2003 Interest Rate Exchange Agreements (Swaps)

On October 2, 2003, the Authority executed Swaps with three counterparties. The Swaps were executed in conjunction with the Authority's issuance of \$400 million of its 2003 Series C Bonds. The total notional amount of the Swaps was \$400 million. The effective date for the Swaps was October 16, 2003, which coincided with the delivery date of the 2003 Series C Bonds. The Authority executed the Swaps in order to effectively convert the variable-rate 2003 Series C Bonds to a net fixed rate. Based on the Swaps, the Authority owes interest calculated at a fixed rate of 3.452% to the counterparties that is paid semiannually. In return, the counterparties owe the Authority floating-rate interest equal to 65% of 30-day LIBOR, which is paid to the Authority on a monthly basis. The original notional amounts of the Swaps and the amortization thereof match the original principal amount of the refunded 2003 Series C Bonds and the amortization thereof. The Swaps were not terminated in connection with the issuance of the 2013 Series C, D,

and E Bonds or the refunding of the 2003 Series C Bonds nor will the Swaps be treated as Qualified Hedges with respect to the 2013 Series C, D, and E Bonds.

	<b>Deallocation of Swap Principal</b>	<b>Interest-rate swaps</b>		
		<b>Payment</b>	<b>Pro-Forma Receipts</b>	<b>Pro-Forma Net payment</b>
Year ended October 31:				
2017	\$ 5,450,000	(12,280,490)	1,234,346	(11,046,144)
2018	5,450,000	(12,092,356)	1,215,436	(10,876,920)
2019	5,450,000	(11,904,222)	1,196,526	(10,707,696)
2020	5,500,000	(11,715,225)	1,177,529	(10,537,696)
2021	5,725,000	(11,521,482)	1,158,056	(10,363,426)
2022 – 2026	31,975,000	(54,433,294)	5,471,240	(48,962,054)
2027 – 2031	184,025,000	(38,552,368)	3,875,004	(34,677,364)
2032 – 2034	114,900,000	(5,439,489)	546,738	(4,892,751)
Totals	<u>\$ 358,475,000</u>	<u>(157,938,926)</u>	<u>15,874,875</u>	<u>(142,064,051)</u>

The above table shows payments based on the Authority's pay-fixed-rate interest rate Swap payment obligation at an effective interest rate of 3.452% while the Authority's variable-rate receipts are based on the floating rate equal to 65% of 30-day LIBOR on October 31, 2016, which the counterparties are obligated to pay the Authority on a monthly basis. Although the pro-forma receipts shown are projected based on the latest interest rate at October 31, 2016 (65% of 0.5338% or 0.347%), actual receipts will depend on the actual fluctuation of 30-day LIBOR.

The Authority is exposed to a limited degree of counterparty credit risk associated with the Swaps. However, each of the counterparties carries a rating in the "Baa1" or higher category from at least one of the nationally recognized credit rating agencies. The counterparties are required to post collateral to the extent that they experience an appreciable decline in credit rating and the Swaps have positive fair value for the Authority.

The Swaps would expose the Authority to basis risk should its interest payments on the variable-rate Bonds significantly exceed the receipts, which are based on 65% of 30-day LIBOR. On October 23, 2013, the Authority currently refunded its Series 2003 bonds. The interest rates on these bonds were effectively hedged by interest rate swaps, which were bifurcated as of the date of the current refunding. Accordingly, the fair value of the interest rate swaps on October 23, 2013 of negative \$70.1 million was recorded as an imputed borrowing by the Authority. The Authority also recorded the \$70.1 million as a deferred cost of refunding and reduced the deferred outflow of resources that had been recorded to offset the negative fair value of the interest rate swap to zero. Apart from the imputed borrowing, the interest rate swap agreements, which continue in effect and continue an effective hedge, had a fair value of zero at October 23, 2013, which decreased to a fair value of \$35 million at October 31, 2016. The change between the year ended October 31, 2016 and 2015 is \$9.2 million, which is recorded as deferred outflow of resources and a liability on the Authority's statement of net position.

## 2009 Revenue Bonds

On December 22, 2009, the Authority issued \$56,600,000 of fixed-rate Senior Revenue Bonds (federally taxable – Build America Bonds), Series A (the “2009 Series A Bonds”) and \$30,635,000 (\$32,446,008 inclusive of net premium) of various fixed-rate Senior Revenue Bonds, Series B (the “2009 Series B Bonds”), for a total of \$89,046,008. The bonds were issued for the following purposes:

- A total of \$85,000,000 of bonds (including \$55,000,000 of the 2009 Series A Bonds, \$30,000,000 of the 2009 Series B Bonds) were issued to finance certain infrastructure and other capital improvements.
- Funds aggregating \$1,544,849, representing the net proceeds of the bond issues after payment of underwriting fees, other issuance costs and allocation of funds to infrastructure and other capital improvements accounts, were deposited into a reserve fund (see note 8).

The payment of principal commences in November 2032 on the 2009 Series A Bonds, while payment on the 2009 Series B Bonds commenced in November 2010.

The 2009 Series A Bonds were issued as “Build America Bonds” (“BABs”) under section 54AA of the U.S. Tax Code for which the Authority expects to receive a cash subsidy payment from the United States Treasury equal to 35% of the interest payable by the Authority on the bonds. For the fiscal years ended October 31, 2016 and 2015, the Authority received payments from the U.S. Treasury in the amount of \$588,506 and \$1,759,523, respectively, pursuant to the subsidy. BABs already issued will continue to receive subsidies. The Authority has no assurances about future legislation or changes that may affect the availability, amount, or receipt of such subsidy payments.

At October 31, 2016, the 2009 Series A Bonds consisted of the following term bonds:

	<u>Coupon rates</u>	<u>Principal amounts</u>	<u>Interest</u>	<u>BABs subsidy</u>	<u>Interest (net of BABs subsidy)</u>
Year ended October 31:					
2017	6.375%	\$ -	3,608,250	(1,219,318)	2,388,932
2018	6.375%	-	3,608,250	(1,262,888)	2,345,362
2019	6.375%	-	3,608,250	(1,262,888)	2,345,362
2020	6.375%	-	3,608,250	(1,262,888)	2,345,362
2021	6.375%	-	3,608,250	(1,262,888)	2,345,362
2022 – 2026	6.375%	-	18,041,250	(6,314,438)	11,726,812
2027 – 2031	6.375%	-	18,041,250	(6,314,438)	11,726,812
2032 – 2036	6.375%	13,290,000	17,345,738	(6,071,008)	11,274,730
2037 – 2041	6.375%	43,310,000	5,745,469	(2,010,914)	3,734,555
Totals		\$ <u>56,600,000</u>	<u>77,214,957</u>	<u>(26,981,668)</u>	<u>50,233,289</u>

The 2009 Series A Bonds maturing after November 1, 2019 are subject to redemption, in whole or in part, at any time on or after November 1, 2019 at the option of the Authority, at a redemption price of par plus interest to the redemption date.

As of October 31, 2016, principal and interest payments due on the 2009 Series B Bonds were as follows:

Year ended October 31:	<u>Coupon rates</u>	<u>Principal amounts</u>	<u>Interest</u>
2017	2.50%	\$ 335,000	1,397,806
2018	3.00%	340,000	1,387,681
2019	3.50%	355,000	1,376,369
2020	3.50%	335,000	1,364,294
2021	3.50%	370,000	1,349,406
2022 – 2026	3.50% - 5.00%	1,955,000	6,464,044
2027 – 2031	4.00% - 5.00%	2,245,000	6,002,953
2032 – 2035	4.125% - 5.00%	23,150,000	2,682,150
Totals		<u>\$ 29,085,000</u>	<u>22,024,703</u>

The Authority issued certain of the 2009 Series B Bonds at a premium of approximately \$1.81 million, which is being amortized on a straight-line basis, over the lives of the 2009 Series B Bonds. At October 31, 2016 and 2015, the unamortized net bond premium was approximately \$1.3 million and \$1.4 million, respectively.

### 2013 Revenue Bonds

On October 23, 2013, the Authority issued \$356,085,000 (\$407,120,987 inclusive of net premium) of fixed-rate tax exempt Senior Revenue Bonds, Series 2013A (the “2013 Series A Bonds”) and \$6,700,000 (\$6,889,064 inclusive of net premium) of federally taxable, fixed-rate Senior Revenue Bonds, Series 2013B (the “2013 Series B Bonds”), for a total of \$414,010,051 fixed-rate bonds. In addition, the Authority directly placed \$609,530,000 of variable-rate Junior Revenue Bonds with three banks or bank affiliates, comprising \$210,865,000 of Junior Revenue Bonds, Series 2013C (the “2013 Series C Bonds”), \$199,330,000 of Junior Revenue Bonds, Series 2013D (the “2013 Series D Bonds”), and \$199,335,000 of Junior Revenue Bonds, Series 2013E (the “2013 Series E Bonds”) for a total of \$1,023,540,051 (collectively, the “2013 Series C, D, and E Bonds”). The 2013 Series C, D, and E Bonds were issued for the following purposes:

- A total of \$948,854,807 of bonds (including \$328,548,428 of the 2013 Series A Bonds and \$620,306,379 of the 2013 Series C, D, and E Bonds) were issued to currently refund \$319,435,000 of the outstanding 2003 Series A Bonds and \$609,825,000 variable-rate bonds, comprising \$235,000,000 of 2003 Series B Bonds and \$374,825,000 of the 2003 Series C Bonds. The balance of the 2003 Series A Bonds (\$16,140,000 outstanding) was retired by the Authority on November 1, 2013 from 2003 bond resolution debt service funds.



- A total of \$85,000,000 (including \$6,800,000 from the 2013 Series B Bonds and \$78,200,000 from the 2013 Series C, D, and E Bonds) was issued to finance certain infrastructure and other capital improvements.
- A total of approximately \$10.8 million of 2013 Series A, B, C, D, and E bond proceeds were used to pay for costs of issuance.

The cumulative unamortized loss on extinguishment of the 1993, 1996, 2000, and 2003 bonds, including the unamortized 2003 bond insurance costs, collectively totaling approximately \$19.9 million at fiscal year-end October 31, 2016, is classified in the statement of net position as a deferred outflow of resources and is being amortized over the respective useful life of the corresponding bonds.

As of October 31, 2016, principal and interest payments due on the 2013 Series A Bonds and 2013 Series B Bonds, which are all fixed-rate bonds, were as follows (see note 11):

**2013 A Senior Bonds:**

	<u>Coupon Rate</u>	<u>Principal amount</u>	<u>Interest</u>
Year ended October 31:			
2017	3.00% - 5.00%	\$ 20,995,000	15,238,775
2018	3.00% - 5.00%	22,160,000	14,259,900
2019	3.00% - 5.00%	23,360,000	13,221,900
2020	4.00% - 5.00%	24,590,000	12,098,150
2021	4.00% - 5.00%	25,735,000	10,868,525
2022 – 2026	4.00% - 5.00%	138,935,000	33,654,050
2027 – 2031	5.00%	57,765,000	7,844,125
2032	4.00% - 5.00%	9,595,000	204,400
Totals		\$ <u>323,135,000</u>	<u>107,389,825</u>

**2013 B Senior Bonds:**

As of October 31, 2016, the 2013 Series B Bond principal and interest obligations were fulfilled.

**2013 C, D, and E Junior Bonds:**

Each series of the 2013 C, D, and E Junior Bonds initially bears interest monthly at a variable rate based on a percentage of one-month LIBOR plus a spread. The Authority has the right to cause the 2013 C, D, and E Junior Bonds to be repurchased from the initial purchasers thereof and remarketed at other variable rates or fixed rates, and also has the right to otherwise purchase or redeem the 2013 C, D, and E Junior Bonds, on certain dates. Any 2013 C, D, and E Junior Bonds that are not so remarketed (or purchased or redeemed) by November 1, 2019 will bear interest thereafter at stepped-up rates that for 180 days will equal 7.5% per annum (or, if greater, a specified prime rate plus 1.5% per annum or a specified federal funds rate plus 2% per annum) and after 180 days will equal 12% per annum (or, if greater, a specified prime rate plus 3.5% per annum or a specified federal funds rate plus 4% per annum). The 2013 C, D, and E Junior Bonds



also will bear interest at rates higher than the foregoing if an event of default occurs under the Authority's agreements with the initial purchasers of the 2013 C, D, and E Junior Bonds or if interest on the 2013 C, D, and E Junior Bonds is determined to be includable in gross income for federal income tax purposes. The estimated interest payments for the 2013 C, D, and E Junior Bonds shown in the table titled "2013 C, D, and E Junior Bonds" below are based upon the October 31, 2016 LIBOR rate and do not reflect the increased interest payments that would result from such stepped-up rates, default rates or taxable rates becoming effective. In addition, pursuant to agreements between the Authority and the respective initial purchasers of the 2013 C, D, and E Junior Bonds, various additional fees and other amounts may be payable by the Authority from time to time, each on a basis subordinate to payment of annual debt service on Senior Bonds and Junior Bonds of any Series.

	Junior C		Junior D		Junior E		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
Year ended October 31:								
2017	\$ 1,185,000	2,078,475	1,855,000	1,846,437	1,855,000	1,421,423	4,895,000	5,346,334
2018	1,235,000	2,066,375	1,825,000	1,829,012	1,830,000	1,407,991	4,890,000	5,303,378
2019	1,185,000	2,054,275	1,260,000	1,814,405	1,255,000	1,396,746	3,700,000	5,265,425
2020	1,220,000	2,042,250	1,250,000	1,802,520	1,255,000	1,387,597	3,725,000	5,232,367
2021	1,285,000	2,029,725	1,305,000	1,790,422	1,305,000	1,378,266	3,895,000	5,198,413
2022 – 2026	7,035,000	9,945,525	12,755,000	8,711,666	12,750,000	6,706,326	32,540,000	25,363,517
2027 – 2031	36,395,000	9,013,075	43,700,000	7,341,712	43,700,000	5,651,791	123,795,000	22,006,578
2032 – 2036	25,945,000	7,578,475	73,165,000	4,474,599	73,165,000	3,444,725	172,275,000	15,497,799
2037 – 2041	80,985,000	4,992,675	58,790,000	1,140,046	58,795,000	877,625	198,570,000	7,010,346
2042 – 2043	51,970,000	467,750					51,970,000	467,750
Total	\$ 208,440,000	42,268,600	195,905,000	30,750,818	195,910,000	23,672,489	600,255,000	96,691,907

Debt service on the 2003 Swap agreements (see note 10) and the 2009 and 2013 Bonds (see note 10, 11 and 12) is secured by and is payable, after satisfaction of certain administrative, operating, and maintenance obligations of the Authority, solely from certain pledged lease revenues and Swap receipts which are required to be deposited and maintained in the Pledged Revenue Fund ("PRF") established under the 2003 General Bond Resolution. The PRF, including income and earnings on investments thereof, has been pledged and assigned to a trustee for the benefit of the owners of the 2009 Bonds and the 2013 Bonds and certain other beneficiaries, as their respective interest may appear. In addition, the Bonds, and certain swap payments and reimbursement obligations, are secured by the Reserve Fund established under the 2003 General Bond Resolution. The rights to payment of the 2009 and 2013 Senior Bonds, senior swap payments, and senior reimbursement obligations from amounts in the PRF and the Reserve Fund are senior to the rights to payment of the 2013 Junior Bonds, junior swap payments, and junior reimbursement obligations from such amounts. As of each November 1, amounts in the PRF in excess of funding requirements for project operating expenses and debt service, along with certain other unpledged amounts will be transferred into the Residual Fund and may be used by the Authority for other purposes.



**Battery Park  
City Authority**



## 5. Compensation Schedule



**Battery Park  
City Authority**

**2016 Annual Report**



## 5. Compensation Schedule

### 5.1. Battery Park City Authority Compensation\*

<b>Name</b>	<b>Title</b>	<b>Salary</b>	<b>Department</b>
Baptiste, Marie	Deputy Treasurer	\$125,000.00	Finance
Beecham, Brett	Associate General Counsel	\$145,000.00	Legal
Buquicchio, Anthony	Senior Director, Project Management	\$134,000.00	Real Property
Dawson, Gwen	Vice President, Real Property	\$164,800.00	Real Property
Ehrlich, Abigail	Director, Community Partnerships and Engagement	\$114,400.00	Administration
Ganci, Joseph	Director, Design	\$133,900.00	Real Property
Goldenberg, Abigail	Authority Attorney	\$154,500.00	Legal
Hyman, Shari	President & COO	\$225,000.00	Executive
Jones, Benjamin	Chief Administrative Officer	\$185,000.00	Administration
Kim, Susie	Associate General Counsel	\$156,000.00	Legal
Koenig, Karl	Controller	\$154,500.00	Finance
McCabe, Kevin	Chief of Staff	\$103,000.00	Executive
McIntyre, Brenda	Vice President, Human Resources	\$154,500.00	Human Resources
Nesmith, Robert	Chief Contracting Officer	\$123,600.00	Administration
O'Neill, Anne	Director, Horticulture	\$110,000.00	Horticulture
Pomponio, Bruno	Director, Parks Operations	\$124,800.00	Parks Operations
Pustilnik, Alix	General Counsel	\$195,000.00	Legal
Sbordone, Nicholas	Director, Communications and Public Affairs	\$115,000.00	Public Affairs
Serpico, Robert	Executive Vice President/Treasurer/CFO	\$205,000.00	Finance
Singh, Seema	Deputy General Counsel	\$160,000.00	Legal
Stallworth-Roper, Nicole	Associate General Counsel	\$135,000.00	Legal
Tam, John	Director, Management Information Systems	\$123,600.00	MIS
Windman, Kenneth	Director, Facilities & Infrastructure	\$113,300.00	Real Property

\*List of BPCA Benefits Provided: Medical, Vision, Dental, Hearing, Prescription, Wellness, Transit, Flexible Spending with Match, Deferred Compensation (optional), Short and Long Term Disability, Workers Compensation, M/C Life Insurance (optional), Municipal Credit Union (optional), State Pension, Annual Leave, Sick Leave, Bereavement Leave, Holidays, FMLA, Leave for Voting, Leave for Bone Marrow or Organ Donation, Leave for Breast Cancer and Prostate testing, Leave for Jury Duty, Unemployment Insurance, Meal and Travel Reimbursement, Direct Deposit (optional), Employee Assistance Program, US Savings Bonds, College Savings Plan, Leave Donation Program, Military Leave, Maternity/Paternity Leave, Family Medical Leave Act.

## 5.2 Biographical Information

### **Marie Baptiste**

#### **Deputy Treasurer**

Marie Baptiste has served as Deputy Treasurer/Portfolio Manager at the Battery Park City Authority Since March 2015. Prior to assuming this position, she served as the Accounting Manager at Battery Park City Parks Conservancy. Born and raised in Haiti, she holds a Bachelor's degree in Business Administration specializing in Accounting from CUNY Bernard Baruch College, and an Executive Master in Business Administration from Rutgers University with an emphasis in Finance. She holds a Public Accounting Certification License in New York State.

### **Brett Beecham**

#### **Associate General Counsel**

Mr. Beecham received his undergraduate degree from Franklin & Marshall College and his J.D. from Boston University School of Law. After graduating from law school, Mr. Beecham worked as an attorney in the NYC offices of Debevoise & Plimpton LLP and Paul, Weiss, Rifkind, Wharton & Garrison LLP. In 2005, Mr. Beecham became Assistant General Counsel at the New York City Department of Buildings where he interpreted the building code and zoning resolution. Thereafter, Mr. Beecham joined Manhattan Capital, a private equity firm focused on real estate and professional sports markets, and served as General Counsel for nearly a decade. Mr. Beecham joined the Battery Park City Authority's legal team in 2016.

### **Anthony Buquicchio**

#### **Director, Site Management and Security**

Anthony joined Battery Park City in June of 2013. He worked with a New York construction management firm for eight years from 2005 to 2013, and worked as a contractor doing home improvement from 2001 through 2005. Anthony worked for a manufacturing and distribution company from 1984 until 1999. In that time he progressed from purchasing agent to warehouse manager of a 250,000 square foot facility. He then managed another distribution warehouse until 2001.

### **Gwen Dawson, Esq.**

#### **Vice President, Real Property**

Gwen Dawson began her professional career practicing law in Denver, Colorado, focusing on real estate and business law. She later transitioned to full-time real estate planning and development with a focus on large-scale public-private development projects in urban settings. Prior to joining Battery Park City Authority, Ms. Dawson worked with the Mayor's Office of the City and County of Denver and the Colorado Community College System.

### **Abigail M. Ehrlich**

#### **Director of Community Partnerships and Engagement**

Ms. Ehrlich received her B.A. from Connecticut College and a M.S. from the Bank Street Graduate School of Education. Prior to becoming Director of Parks Programming, Battery Park City Parks Conservancy in 1998, she managed School and Family Programs at the Museum of Television & Radio and the Whitney Museum of American Art. She was a museum educator at

the University of Washington's Henry Art Gallery, The Brooklyn Museum and The Frick Collection, and program manager for Washington State Arts Commission's public art in public schools.

**Joseph Ganci**

**Director of Design**

Mr. Ganci received a Bachelor of Architecture with a concentration in Construction Management from Pratt Institute in 2001. While completing his formal classroom education and after graduation, Mr. Ganci worked in a select number of architectural and consulting firms before joining the Battery Park City Authority in 2014 as Design Director.

**Abigail Goldenberg**

**Special Counsel and Risk Officer**

Ms. Goldenberg received her undergraduate degree from Oberlin College and her J.D. from Cardozo School of Law. After graduating from law school in 2001, Ms. Goldenberg joined the General Litigation Division at the New York City Law Department, where she litigated federal and state claims related to various, significant City policies. In 2012, Ms. Goldenberg was appointed the General Counsel for the New York City Business Integrity Commission. Ms. Goldenberg joined the Battery Park City Authority's legal team in 2015.

**Shari Hyman, Esq.**

**President and Chief Operating Officer**

Shari C. Hyman was appointed President and Chief Operating Officer of the Battery Park City Authority in February 2014. Immediately prior to her appointment as President, Ms. Hyman served as Commissioner and Chair of the New York City Business Integrity Commission under Mayor Michael R. Bloomberg from 2011 to 2014. Between 2006 and 2011, Ms. Hyman served in multifaceted positions in the Bloomberg Administration including Chief of Staff to the Deputy Mayor for Operations, Senior Counsel and Director of Business Acceleration where she focused on streamlining City operations to help small businesses, including the design and implementation of the New Business Acceleration Team (NBAT), a multi-agency program enabling new restaurant and retail owners to open their doors more quickly through a consolidated and coordinated inspection process. Ms. Hyman also served as First Deputy Criminal Justice Coordinator in New York City's Office of the Criminal Justice Coordinator as well as Director of the Mayor's Office of Special Enforcement (OSE), a multi-agency taskforce dedicated to handling quality of life issues citywide where she garnered international attention for anti-counterfeiting efforts on Canal Street in operation "counterfeit triangle." Ms. Hyman began her career as an Assistant District Attorney in the Manhattan District Attorney's Office under Robert M. Morgenthau where she served for over a decade. Ms. Hyman holds a JD from Northwestern University and a BA from Columbia University.

**Benjamin Jones, PMP**

**Chief Administrative Officer and Vice President of Internal Audit**

Mr. Jones received his Bachelor of Arts degree from Gettysburg College and his Master of Public Administration degree from American University. Prior to his employment at BPCA, he worked for organizations including KPMG's State and Local Government Consulting Practice, the New York City Department of Buildings, and the New York City Mayor's Office of

Operations. Benjamin is a certified Project Management Professional.

**Susie Kim**

**Associate General Counsel**

Ms. Kim received a Bachelor of Arts in Political Science from Columbia University, and her J.D. from Fordham University School of Law. After graduating from law school in 2002, Ms. Kim began her career with LeBoeuf, Lamb, Greene & MacRae LLP. In 2006, Ms. Kim joined the firm of Loeb & Loeb LLP. Ms. Kim joined the Authority's legal group in July 2014.

**Karl Koenig, CPA**

**Controller**

Karl Koenig graduated Queens College with a triple concentration in German, Accounting, and Economics. He worked for three years as an auditor for the NYC Comptroller's Office where he passed the CPA exam. He spent four years at a midsize accounting firm performing various audits and prepared taxes for non-profit and for profit entities. He then spent eight years as the director of Finance for a non-profit organization. He currently is the Controller for Battery Park City Authority.

**Kevin McCabe**

**Chief of Staff**

Prior to joining the Battery Park City Authority in 2012 as Chairman Mehiel's Special Assistant, Mr. McCabe held a number of positions at Bloomberg L.P., while based out of the firm's New York and London headquarters. Mr. McCabe was promoted to Chief of Staff in 2015. Mr. McCabe attended Saint Joseph's University where he earned a Bachelor of Science degree in International Business.

**Brenda McIntyre**

**Vice President of Human Resources**

Ms. McIntyre received her Bachelor of Science degree from Southern Vermont College and she has her Master of Science in Industrial Labor Relations from Baruch College. Prior to her employment at BPCA, she was the Assistant Commissioner of Human Resources and Labor Relations at NYC Department of Health and Mental Hygiene for seven years. Prior to that position, she worked for four years at NYC Department of Information and Technology as the Director of 311. Her original position at that same agency was Director of Labor and Employee Relations. Ms. McIntyre got her start in City government at the NYC Taxi & Limousine Commission as the Director of Labor Relations & EEO. She also served as independent arbitrator and as an EEO mediator. Prior to moving to and working for the City of New York, she worked for 15 years as a civilian employee in a local police department as a Crime Prevention Practitioner and a union president. She has received certifications from Cornell University in Labor Relations, EEO and Mediation.

**Robert Nesmith**

**Chief Contracting Officer**

Mr. Nesmith received a Bachelor of Arts in Government Affairs from John Jay College and earned a Masters of Arts in Urban Affairs from Queens College. Mr. Nesmith began his career in government at the New York City Comptroller's Office in 1992. He is a graduate of the NYC

Management Academy. After 20 years of service at the NYC Comptroller's Office, Mr. Nesmith joined the Authority in February 2013. He was made Chief Contracting Officer in May 2014.

### **Anne O'Neill**

#### **Director of Horticulture, Sustainability and Landscape Design**

Ms. O'Neill has managed a private estate, been a curator of the Shakespeare, Fragrance and Rose Gardens in Brooklyn Botanic Garden, was the Horticultural Outreach person for Bronx Green Up in New York Botanical Garden, and a mushroom farmer in Ireland. Ms. O'Neill is also responsible for maintaining Battery Park City's parks and open spaces in world-class condition utilizing the "green" techniques, design, and vision the neighborhood has pioneered.

### **Bruno Pomponio**

#### **Director of Parks Operations**

Mr. Pomponio joined Battery Park City Parks Conservancy in 1997 as a plumber. In 1998 he was promoted to foreman of the Maintenance Department, and in 1999 to Director of the Maintenance Department and in 2015 to the Director of Parks Operations. He is certified by U.S. Department of Labor Occupational Safety and Health Administration (OSHA) to conduct training in occupational safety and health standards, and received accreditation in Construction Project Management from New York University. Prior to joining Battery Park City Parks Conservancy, he was employed by New York Public Library as a plumber.

### **Alix Pustilnik**

#### **General Counsel**

Alix S. Pustilnik became General Counsel of the Battery Park City Authority in May 2014. A life-long New Yorker, she began her career as an Assistant District Attorney in New York County, where she prosecuted white collar and official corruption cases. Subsequently, she became the Senior Staff Attorney at the Commission to Combat Police Corruption during Mayor Rudolf W. Giuliani's administration. From 1999 through 2005 she was a litigator at Schulte Roth & Zabel, where, among other things, she represented a corporation that was the target of a year-long grand jury investigation, resulting in no charges; helped to secure a victory at trial on behalf of a major real estate building and operating company involved in a lease dispute with an anchor tenant; and counseled a large European bank in connection with its internal investigation of a \$500,000,000 Enron-related transaction. From 2006 through 2014, Ms. Pustilnik served New York City Council Speaker Christine C. Quinn as Deputy Legislative Director. During that time, Ms. Pustilnik played a key role in increasing government contracting opportunities for minority and women owned businesses, simplifying and improving the regulatory environment for businesses operating in New York City, and improving oversight of the New York City Police Department. Ms. Pustilnik was a Coro Fellow, and received her undergraduate degree from Columbia University and her law degree from Harvard.

### **Nicholas Sbordone**

#### **Director, Communications and Public Affairs**

Mr. Sbordone joined the Battery Park City Authority in April 2016 after spending his career in New York City government across three mayoral administrations. He began his career in 2001 at the Mayor's Office of Operations, where as a policy analyst he helped prepare the bi-annual Mayor's Management Report. Moving to the Taxi & Limousine Commission he worked on a range of issues affecting the industry, including the sale of new medallions. Then, at the

Department of Information Technology & Telecommunications he served as intergovernmental affairs director and spokesman and for the 311 non-emergency information and services hotline, for 911 system modernization, cable television and broadband, cybersecurity, and most recently, the City's open data and LinkNYC/free citywide WiFi initiatives.

**Robert M. Serpico**

**Chief Financial Officer**

Mr. Serpico has been with the Authority since June 1986 and has been chief financial officer since December 1987. In addition, Mr. Serpico has served as President and Chief Executive Officer of the Battery Park City Parks Conservancy, an Authority affiliate responsible for care of the parks in Battery Park City for 17 years and is now Treasurer. He was formerly Regional Controller for Continental Telecom, Inc. from 1983 through 1986 and prior 6 years was in private sector audit jobs including the Controllershship Division of American Express Company. MBA, BS Syracuse University- Accounting, Finance, Operations.

**Seema Singh, Esq.**

**Deputy General Counsel**

Ms. Singh received both a Bachelor of Science and a Bachelor of Applied Science from the University of Pennsylvania, and her J.D. from the Georgetown University School of Law. After graduating from law school in 2002, Ms. Singh began her career with LeBoeuf, Lamb, Greene & MacRae LLP before lateraling over to Bingham McCutchen LLP. Ms. Singh joined the Authority in March 2012, and was made Deputy General Counsel in May 2013.

**Nicole Stallworth-Roper**

**Associate General Counsel**

Ms. Stallworth-Roper received a Bachelor of Science in Marketing from Hampton University and her J.D. from Fordham University School of Law. After graduating from law school in 2003, Ms. Stallworth-Roper began her career with Peck, Shaffer & Williams LLP (now known as Dinsmore & Shohl). In 2006, Ms. Stallworth-Roper joined Hawkins Delafield & Wood LLP. In 2015, Ms. Stallworth-Roper joined the Battery Park City Authority's legal department.

**John Tam**

**Director of IT**

John Tam received his Bachelors of Science in Electrical Engineering from University at Buffalo. He has worked in the IT field for over 20 years. His work includes multiple industries from public utilities, healthcare, investment banks, and government. He spent the last 10 years as LAN administrator at Lower Manhattan Development Corporation in providing and maintaining an IT infrastructure network before joining Battery Park City Authority.

**Kenneth Windman**

**Director, Facilities Maintenance & Construction**

Kenneth has been employed by the Battery Park City Authority since 1985, spending the first 20 years in the Site Management Department, performing facilities management, security, safety and special events. The second part of his tenure at BPCA has been managing projects for site construction and restorations and managing large scale maintenance projects for the Battery Parks City Parks Conservancy. Kenneth has received his Associate Degree in Business

Administration from the State University of New York at Delhi and his Bachelor's Degree in Business Administration from the State University of New York at New Paltz.



## 6. Projects Undertaken



## 6. Projects Undertaken

In 2016, the Battery Park City Authority continued its mission of providing an attractive mix of retail, commercial, residential, parks and open space for residents, neighbors, local workers, tourists and fellow New Yorkers. Administered by the BPCA, Battery Park City is seen as a model community, pursuing best practices in the area of urban infrastructure, design, and sustainability.

### Key Projects:

- **Police Memorial/North Cove Marina Electrical Vault Resilience Project:** Construction began in 2016 on the project to relocate the Police Memorial and North Cove Marina electrical infrastructure to new above-ground structures and enhance pedestrian connections between the adjacent upper and lower plazas. Construction is expected to be completed in 2017.
- **Irish Hunger Memorial Restoration:** Construction began in 2016 on the Irish Hunger Memorial Restoration and Waterproofing Project, which will repair damage to the Memorial and arrest and remediate water infiltration into the structure. The project is expected to be completed in 2017.
- **South Grid Electric Upgrade:** The updating of the electrical wiring and infrastructure serving the Battery Park City South Grid (bounded by Battery Place, Rector Street and Little West Street) was continued during 2016, with completion expected in 2017.
- **North Esplanade Restoration Project:** Construction began in 2016 on the North Esplanade Restoration Project to restore certain portions of the Esplanade platform, granite slabs, pile caps, timber piles and rip rap. The project is expected to be completed in 2017.
- **Pier A:** A project to replace exterior piping and underwater connective hoses for the river water geothermal system was completed during 2016.
- **Assessment/Design:**
  - *Wagner Park Assessment:* An assessment of Wagner Park and its structures to determine the extent of vulnerability to flood damage and to identify measures for enhancing resilience, usability and space utilization within the Park was commenced in 2015 and is expected to be completed in 2017.
  - *Phase 5 Pile Remediation and Cellular Sheet Pile Encasement Project:* Design was completed in 2016 on the latest phase of the Authority's multi-year pile remediation program. Construction of the project is expected to be performed in 2017.
  - *200 Rector Fit-Out Project:* Design was completed on the fit-out of office space leased by the Authority for security, construction management and community

support purposes. Construction of the project is expected to be performed in 2017.

- *South End Avenue Streetscape Study*: A study to evaluate the current streetscape conditions associated with South End Avenue and West Thames Street and identify opportunities for enhancement continued in 2016 and is expected to be completed in 2017.
  - *Asphalt/Granite Remediation Project*: Design was completed in 2016 on a project to remediate, replace and restore asphalt pavers, bricks and stone infrastructure elements throughout Battery Park City parks and public spaces. The project is expected to be performed in 2017.
  - *Bed A Wall Restoration Project*: Design was completed in 2016 on the restoration of a property wall and planting bed located adjacent to Kowsky Plaza that was damaged by a sinkhole. Construction of the Project is expected to be performed in 2017.
- **Cooperative Partnering Projects:**
    - *West Thames Street Pedestrian Bridge*: As part of a collaborative project between the New York City Economic Development Corporation (NYCEDC), the Lower Manhattan Development Corporation and BPCA, construction of the West Thames Pedestrian Bridge was commenced by NYCEDC in 2016. Completion of the construction is expected in 2018.



## 7. Property Acquisition/ Disposal Summary





## 7. Property Acquisition/Disposal Summary

<b>Name</b>	Liberty Court Office Space
<b>Address</b>	200 Rector Place, New York, NY
<b>Description</b>	7,420 square feet of first floor leased office space used for security, construction management and community functions
<b>Estimated FM Rental Value</b>	\$62/sf
<b>FMV Determined By</b>	Market Comparisons
<b>Transaction Type</b>	Lease
<b>Transaction Date</b>	February 1, 2016
<b>License Rate</b>	\$62/sf, years 1-5; \$66/sf, years 5-10
<b>Was License Competitively Bid</b>	No
<b>Why not</b>	Space uniquely addressed a combination of distinctive BPCA needs – 1 <sup>st</sup> -floor space, 3,000-4,000 sf, with exterior access, located in Battery Park City and available at a favorable lease rate based on market comparables.
<b>Tenant</b>	Mariners Cove Site B Associates
<b>Address</b>	335 Madison Avenue, 1 <sup>st</sup> Floor, New York 10017



**Battery Park  
City Authority**



## 8. Code of Ethics



**Battery Park  
City Authority**

**2016 Annual Report**

## 8. Code of Ethics

### GUIDELINES REGARDING CONFLICTS OF INTEREST AND ETHICAL STANDARDS

As a public entity, the Authority has a responsibility for maintaining the highest level of honesty, ethical conduct, and public trust in all of its activities. To meet this responsibility, this Conflict of Interest Policy has been adopted concerning important aspects of ethical conduct.

This policy states in specific form the Authority's position on conflicts of interest. Personal integrity is the cornerstone of this policy. Each employee has the primary responsibility for avoiding financial and other interests that could create a conflict or the appearance of a conflict with his or her job.

When an employee, regardless of level or job assignment, is in a position where his or her financial interest or involvement in a transaction may present a conflict of interest or the appearance of such a conflict, the employee must immediately notify the Authority's Ethics Officer (the "Ethics Officer") and disqualify himself or herself from participation in the transaction until advised in writing that he or she may continue to participate in the transaction.

Any person who has a question as to whether a prospective personal or business transaction, or relationship with a contractor, vendor, or consultant, may be a violation of this policy or of the Public Officers Law should consult with the Ethics Officer and may also request in writing, where appropriate, a formal or informal opinion of the New York State Joint Commission on Public Ethics ("JCOPE").

Each State agency has an obligation under the Public Officer's Law to appoint an ethics officer. The Ethics Officer has duties that include, but are not limited to, providing Authority personnel with opinions regarding ethical issues, ensuring the propriety of outside activities in which Authority personnel wish to engage, and ensuring Authority personnel receive the required ethics training. The Ethics Officer is also responsible for ensuring that all employees required to do so file their financial disclosure forms with JCOPE, and for informing JCOPE of all new hires at the agency who are required to file financial disclosure forms. In addition to this, the Ethics Officer must report the receipt of honoraria by Authority employees to JCOPE.

Violations of the guidelines outlined below (the "Guidelines") may be cause for disciplinary action up to and including termination, as well as criminal prosecution and/or fines up to (\$10,000) ten thousand dollars.

#### **A. *Application***

##### 1. Public Officers Law

The Guidelines, as they relate to employees, are divided into three basic categories:

- General ethical standards;
- Issues arising during the course of employment; and
- Issues arising in connection with termination of employment and post-employment activities.

The Guidelines are drawn from and based on Sections 73 and 74 of the Public Officers Law. While the Guidelines in some instances may go further than the underlying statutory provisions, the statute is paramount and controlling to the extent, if any, that it is more limiting or restrictive than the Guidelines. In view of the strong identification of the Guidelines with the statute, staff should also be aware of the possibility that in violating the Guidelines, a statutory provision may be violated as well, with potentially serious consequences, because the legislation creating the Authority makes its officers and employees subject to Section 73 and 74 of the Public Officers Law. Moreover, certain employees are subject to the financial disclosure and reporting requirements of Section 73-a of the Public Officers Law. Copies of these sections of the Public Officers Law may be obtained from the Human Resources Department. Any questions that arise regarding the Public Officers Law should be addressed to the Ethics Officer.

## **B. Guidelines**

### 1. Guidelines of General Application

- a. No employee should have any interest, financial or otherwise, direct or indirect, or engage in any activity, including any business transaction, professional activity or incur any obligation of any nature, which is in substantial conflict with the proper discharge of his or her duties in the public interest, whether such conflicts be real or apparent, existing or potential.
- b. Each employee should pursue a course of conduct that will avoid encouraging the public to assume or believe that he or she is likely to engage in acts that would violate his or her trust.

### 2. Ethical Standards

It shall be a breach of ethical standards for any employee to:

- a. Use his or her position as an employee of the Authority to secure unwarranted privileges or exemptions for him or herself or another.
- b. Disclose, or use to further his or her personal interest or the interest of another (including, without limitation, the purchase or sale of property or securities), information acquired by him or her during the course of his or her official duties, which would not otherwise be a matter of public knowledge or information.

### 3. Issues During Employment

#### a. General Standards

In connection with any activities outside of the performance of the employee's official duties at the Authority, no outside activity whether or not for compensation (including any such activity for or before any public agency) should be undertaken nor should any employee engage in any conduct, which would:

- i. Impair or appear to impair the independent judgment of the employee in the exercise of his or her duties;
- ii. Require an allocation of an amount of time sufficient to impair the performance of the employee's obligation to the Authority;
- iii. Result in an identification of the employee's outside activities with those of the Authority;
- iv. Result in a transaction as representative of the Authority with any business entity in which he or she has a direct or indirect financial interest that might reasonably tend to conflict with the proper discharge of his or her official duties; or
- v. Create the impression, reasonably inferable, that any person may improperly influence him or her or unduly enjoy his or her favor in the performance of his or her official duties, or that he or she is affected by the kinship, rank position or influence of any party or person.

#### b. Investment Guidelines

No employee should have any:

- i. Direct or indirect financial interest that conflicts or appears to conflict with his or her responsibilities to the Authority; or
- ii. Financial interest, direct or indirect, or engage in any business or transaction or professional activity or incur any obligation of any nature, which is in substantial conflict with the proper discharge of his or her duties in the public interest.

Investments in municipal bonds or other governmental obligations, including obligations of the Federal government, the State, or any of their agencies or subdivisions, including the Authority, are permitted. Caution must be exercised in making such investments where the employee is privy to information by reason of his or her employment activities that is not public information at the time of his or her investment in order to avoid possible infractions of Federal Securities laws.

For the purpose of determining whether an indirect investment exists, employees are urged to disclose any financial interests or investments held by members of their families on their Financial Disclosure form, so

that the facts may be analyzed to ascertain whether it is of sufficient magnitude to require preventive action.

*c. Outside Employment and Activities*

Employees should be aware that as a condition of their employment they are expected to devote full business time to their official responsibilities at the Authority. While outside activities are not precluded (see Title 19, parts 930 and 932, of the codes, rules, and regulations of the State of New York (“19 NYCRR Part 930 and Part 932”)), employees should take care to avoid any outside employment or activity that would:

- i. Require or induce the employee to disclose confidential information gained from Authority employment;
- ii. Involve the employee on behalf of parties who have a substantial business relationship with the Authority, or should have any business relationship with the Authority where the performance of the employee’s duties directly involves him or her in such relationship;
- iii. Result in the engagement of the employee to perform regular and substantial outside consulting or professional activities, including serving as a consultant, regular teaching, any business other than a passive investment activity, or any legal practice, or result in the maintenance of any publicly-listed place of business; or
- iv. Lead the public to associate the personal business or activities of the employee with the Authority, rather than the employee individually. In performing personal business activities, care should be exercised to avoid the implication of any endorsement of such activities on the part of the Authority. Authority stationery should not be used in conducting the personal affairs or business of any employee, nor should office space be used to such end.

An employee may attend and participate in political functions without violating Section 3.a. (iii) or 3.c. (iv) above, provided that he or she makes a good faith effort to make it clear that he or she is doing so in his or her personal capacity and not on behalf of the Authority. Mere mention of, or reference to, his or her affiliation or title with the Authority will not of itself constitute a violation of those sections.

*d. Gifts and Outside Compensation*

- i. No employee should accept any outside compensation or thing of value for work required by or connected with his or her Authority employment, unless the employee has complied with the provisions of 19 NYCRR Part 930.
- ii. No employee, spouse or dependent child of an employee shall solicit, accept or receive any gift having a nominal value whether in the form



of money, service, loan, travel, entertainment, hospitality, thing or promise, or in any other form, under circumstances in which it could reasonably be inferred that the gift was intended to influence him or her, or could reasonably be expected to influence him or her, in the performance of his or her official duties or was intended as a reward for any official action on his or her part.

e. Political Activity Policy

While Authority employees are free to participate in the political process on their own time, there must be a clear separation between political activities and the discharge of their duties as Authority employees. No Authority employee is to conduct political activities during work hours. Any political activity must be performed after normal work hours or while on vacation or personal leave. In addition, Authority equipment, vehicles and office space are to be used for official Authority business only.

f. Receipt of Honorarium

The receipt of honorarium or outside speaking fees must be approved in advance by the President and Chief Operating Officer, and a fee cannot be received from any organization that is regulated by or negotiates with Authority employees acting in their official capacity. A fee cannot be received by an Authority employee from an individual or organization that attempts to influence Authority positions or actions. An employee receiving approvals to accept such a fee cannot also be paid by the Authority for delivering a speech or rendering a service. Authority personnel, equipment and time cannot be used to prepare for delivery of a speech or to render a service for which an honorarium is to be received unless the honorarium is paid to the Authority. No honorarium is permitted when the Authority sends an employee as its representative to an event to make a speech or perform a service. If an employee is required to file a Financial Disclosure form under the Ethics in Government Act, he or she must disclose the receipt of honorarium in excess of \$1,000 from any source.

4. Post-Authority Employment

- a. Pre-departure Negotiations – No employee, while involved in dealings with a private firm on the Authority's behalf, may discuss with representatives of that firm possible future employment with the firm, nor should employees participate in any activity on behalf of the Authority with respect to an entity with which they are negotiating or have made arrangements for post-Authority employment. All employees should immediately notify the Ethics Officer of any understanding or arrangement for employment upon leaving the Authority as promptly as possible after such arrangement is made.



- b. Two-year Prohibition – No person who has served as an Authority officer or employee shall for a period of two years after the termination of such service or employment appear or practice before the Authority or receive compensation for any services rendered by such former officer or employee on behalf on any person, firm corporation or association in relation to any case, proceeding application, or other matter before the Authority. The only exception to this law is that former Authority employees may become employees (not consultants) to federal, state or local government entities.
  
- c. Lifetime Prohibition – No person who has served as an Authority officer or employee shall, after the termination of such service or employment, appear, practice, communicate or otherwise render services before any state agency or receive compensation for any such services rendered by such former officer or employee on behalf of any person, firm, corporation or other entity in relation to any case, proceeding, application or transaction with respect to which such person was directly concerned and in which he or she personally participated during the period of his or her services or employment, or which was under his or her active consideration.

### **C. Administrative Procedures**

#### **1. Administrative Responsibility**

- a. Subject to the power of the President and Members ultimately to determine all matters encompassed by these Guidelines and to designate any other or further officers of the Authority to administer same, the officer of the Authority responsible for administering these Guidelines shall be the Ethics Officer, in consultation with the General Counsel.

The Ethics Officer is hereby authorized, in consultation with the General Counsel, to establish appropriate procedures to implement these Guidelines, including procedures for disclosure of actual or potential problems and appropriate review of such problems by individuals designated by him or her.

- b. It is recognized that the Guidelines are, by their nature, general in scope and do not take account of the many factual circumstances that can arise and to which their application may be unclear or, in some case, inappropriate. At the same time it is also recognized that disclosure of potential conflicts or ethical problems to the Ethics Officer and/or JCOPE is necessary. In view of the foregoing, it shall be the obligation of each employee to bring any circumstances believed to present a potential violation of these Guidelines (including any circumstances to which the employee is unsure whether or not the Guidelines apply) to the attention of the Ethics Officer and obtain JCOPE's advice where there may be a violation of the Public Officers Law.

## 2. Acting in Good Faith

Anyone filing a complaint concerning a violation or suspected violation of these Guidelines must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation of the applicable guideline. The making of allegations that prove not to be substantiated and that prove to have been made maliciously or with knowledge as to their falsity will be viewed as a serious disciplinary offense.

## 3. Administrative Remedies

In addition to any remedies, civil or otherwise, which the Authority may have against any employee who shall breach these guidelines, and any applicable penalties under the Public Officers Law, the Authority may impose any one or more of the following:

- a. Oral or written warnings;
- b. Suspension with or without pay for a specified period of time;
- c. Termination of employment

### **Battery Park City Authority Board Member Responsibilities**

Board members shall at all times adhere to the highest standards of ethical conduct and shall discharge their duties as a fiduciary, acting solely in the interests of BPCA. Whenever the Board takes action, it exercises its independent judgment on an informed basis that the action is in the best interests of BPCA. In doing so, each Board member may rely to a significant extent on information and advice provided by management and independent advisors.

In addition to the general standards expected of a Board member, the following is a summary of the general duties of a BPCA Board member.

- **Education and Training**

- New Board members will be required to participate in a “New Member Orientation Session,” led by the General Counsel or her designee and such outside participants as the General Counsel deems appropriate.

The Orientation Session shall include, at a minimum, the following components:

1. An overview of the New Member Orientation Manual, which shall be distributed to the member at the Orientation Session;
2. Review of Board member Fiduciary Responsibilities; and
3. A review of the financials of BPCA, including budgets and the capital plan.
4. A review of the State’s Ethics Laws, Rules and Regulations.

- Board members shall thereafter participate in State approved training(s) as required by Section 2024 of the Public Authorities Law.
- **Conflicts of Interest**
  - Provided that Board members take precautions to avoid a conflict of interest, or the appearance thereof, the New York State Ethics Commission has permitted certain activities that may otherwise be prohibited pursuant to the code of ethics provisions of Public Officers Law §74.
  - Board members must fully disclose any existing relationships, whether business or personal, that they have that may lead to a conflict of interest in writing to the Board prior to any discussion or vote thereon.
  - Conflicted Board members may not take part in any presentation, proposal, discussion or vote on any contract or issue in which they are conflicted, nor may they discuss, review or vote on any presentation or proposal from a business entity that is a competitor of an entity through which they are conflicted.
  - Conflicted Board members may not discuss BPCA with the entity or person through whom they are conflicted, nor may the conflicted Board member perform any services in relation to BPCA for the entity or person through whom they are conflicted.
  - If a Board member has a business conflict, such conflicted Board member may not perform services, discuss BPCA with his or her colleagues, nor share in the net revenues<sup>1</sup> generated by the source of such business conflict.
  - Conflicted Board members may not discuss the specifics of the provision of services by the business through which he or she is conflicted, nor that of any of its competitors that have been retained, or supervise any such services performed during the term of the contract.
- **Attendance**
  - Board members are expected to attend all Board meetings.
  - Board members are expected to attend the annual Board meeting.
  - If appointed to a committee, Board members are expected to attend all meetings of the respective committee.
  - Staff will provide Board members with a calendar of Board meetings for the upcoming year at the January Board meeting.

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<sup>1</sup> “Net revenues” to be discussed further, if and when, BPCA, or the Board, retains any such services.

- Once the calendar for a year is established, Board members should immediately notify the Corporate Secretary of any scheduling conflicts and thereafter manage their schedules to avoid creating additional conflicts.
  
- **Committee Service**
  - Each Board member should serve on one or more standing committees of the Board.
  
  - Board members may be asked to participate on *ad hoc* committees that may be convened from time to time to perform specific, defined tasks.
  
- **Preparation**
  - Board members should review and be prepared to discuss materials prepared and circulated by staff for each board meeting.
  
- **Collegiality**
  - Board members shall make every effort to engage in collegial deliberations, maintain an atmosphere where Board or committee members can speak openly and freely, explore ideas before becoming committed to positions and seek information necessary to fulfill their duties from staff and other Board members.



## 9. Assessment of the Effectiveness of Internal Controls



## 9. Assessment of the Effectiveness of Internal Controls

This statement certifies that the Battery Park City followed a process that assessed and documented the adequacy of its internal control structure and policies for the year ending October 31, 2016. To the extent that deficiencies were identified, the authority has developed corrective action plans to reduce corresponding risks.

In June 2011, the Authority appointed an internal auditing firm and requested that it perform an Authority-wide risk assessment of its operations. The internal auditors prepared a risk assessment, pursuant to The Standards for the Professional Practice of Internal Auditing which states that its plan of engagements should be based on a risk assessment, undertaken periodically, for which the input of the organization and its Board of Directors was considered.

The purpose of the risk assessment was to enable the Authority to:

- prioritize audit projects by level of potential risk
- determine the nature, timing, and extent of internal audit steps and procedures in direct relation to the level of the risk
- develop a plan for performing internal audit projects in risk areas to minimize the risk of loss to the Company
- use internal audit staff's and management's time in an effective and efficient manner

Based on the conclusions as to potential risk, a determination was made as to what processes would be reviewed and when. The risk assessment consisted of the following inter woven steps:

- Interview the Board, Authority Management and independent auditors for their inputs as to process risk, as well as organizational risk
- Review available documentation and previous audit reports
- Identify key processes within the Organization
- Identify potential risks associated with each process
- Prioritize processes and the related risks by assigning risk ratings

BPCA's management and its outsourced internal auditor revised the entity wide risk assessment in 2014. As a result of this risk assessment, risks identified in the prior assessment were reassessed and the Multi Year Internal Audit Plan, formed based on the earlier risk assessment was continued. All components of the Internal Audit Plan were completed, which was comprised of 19 reports consisting of 60 recommendations in total.

The Authority has now completed 59 of those recommendations. The Risk Assessment and the Internal Audit Reports were reviewed by the Audit Committee and approved by the Board. A summary of internal auditor's observations and recommendations along with a record of management responses and implementation of those recommendations are memorialized in the Authority's Internal Controls document repository. The Authority is now in the process of procuring the services of a firm or firms to support it in the development and implementation of a new internal audit program to begin in Fiscal Year 2017.



## 10. Statutory Basis

## 10. Statutory Basis

### NY CLS Pub A § 1970

#### § 1970. Short title

This title shall be known and may be cited as the "battery park city authority act".

### NY CLS Pub A § 1971

#### § 1971. Statement of legislative findings and purposes

It is hereby found and declared that there exists on the lower West side of the county of New York, North of Battery Park and on and adjacent to the Hudson River, a blighted area, defined in this title as the Battery Park project area, marked by substandard, insanitary, deteriorated and deteriorating conditions, in which area there exists obsolete and dilapidated buildings and structures, including piers, of defective construction and outmoded design, lacking proper sanitary facilities and adequate fire and safety protection, and with insufficient light and ventilation and inadequate maintenance; buildings or structures abandoned or not utilized in whole or in part; obsolete systems of utilities; poorly or improperly designed street patterns and intersections with inadequate access to areas; traffic congestion; and obsolete street widths, sizes and shapes, all of which hamper and impede the proper and economic development of such area and of the city of New York and of the state as a whole.

It is further found and declared that such area is no longer suitable or useful for piers or for facilities appurtenant to the loading and unloading of commercial cargo, and that retaining piers in such area creates a blighting effect on such area and on surrounding areas and is detrimental to the development of such area and to the growth and prosperity of the county and city of New York and of the state as a whole.

It is hereby declared that the improvement of such area, the elimination of pier facilities and of the present structures therein, and the replanning, reconstruction and redevelopment of such area including the filling of the Hudson River at such area up to the present pierhead line, the preparation of the resulting land for development, and the creation in such area, in cooperation with the city of New York and the private sector, of a mixed commercial and residential community, with adequate utilities systems and civic and public facilities such as schools, open public spaces, recreational and cultural facilities, is necessary for the prosperity and welfare of the people of the city of New York and of the state as a whole, and is a public use and public purpose for which tax exemptions may be granted, and that the powers and duties of battery park city authority as hereinafter recited are necessary and proper for the purpose of achieving such ends.

It is hereby further found and declared that there continues to exist throughout the city of New York a seriously inadequate supply of safe and sanitary dwelling accommodations for persons and families of low income. This condition is contrary to the public interest and threatens the health, safety, welfare, comfort and security of the people of the state. The ordinary operations of private enterprise cannot provide an adequate supply of safe and sanitary dwelling accommodations at rentals which persons and families of low income can afford. In order to encourage the investment of private capital and provide such dwelling accommodations,

provision should be made for mortgage loans at low interest rates to housing companies which, subject to regulations as to rents, profits, dividends and disposition of their property, supply such dwelling accommodations and other facilities incidental or appurtenant thereto to such persons and families.

Therefore, it is hereby found and declared that Battery Park city authority, through the issuance of bonds and notes to the private investing public, by encouraging maximum participation by the private sector of the economy, including the sale or lease of the authority's interest in projects at the earliest time deemed feasible, and through participation in programs undertaken by the state, its agencies and subdivisions, and by the federal government, may provide or obtain the capital resources necessary to provide dwelling accommodations for persons and families of low income, and facilities incidental or appurtenant thereto, and, where necessary, to carry out the clearance, replanning, reconstruction and rehabilitation of such substandard and insanitary areas.

It is hereby further found and declared that the acquisition and construction of adequate, safe and sanitary dwelling accommodations for persons and families of low income and such facilities as may be incidental or appurtenant thereto, are public uses and public purposes for which public money may be loaned and private property may be acquired and tax exemptions granted, and that the powers and duties of battery park city authority or its subsidiaries as hereinafter recited are necessary and proper for the purpose of achieving the ends here recited.

#### NY CLS Pub A § 1972

##### § 1972. Definitions

As used in this title, the following words and phrases shall have the following meanings unless the context shall indicate another or different meaning or intent:

(1) "Authority". The corporate governmental agency created by section nineteen hundred seventy-three of this title.

(2) "Bonds" and "Notes". The bonds, notes and obligations issued by the authority pursuant to this title.

(3) "City". The city of New York.

(4) "Comptroller". The comptroller of the State of New York.

(5) "Battery Park project area". All that portion of the City of New York, County of New York, State of New York generally bounded by the easterly line of West Street, the northerly line of lot number 10 in block 130 as shown on the tax maps of the City of New York, borough of Manhattan, and its extensions easterly to West Street and westerly to the United States pierhead line as now constituted, the said United States pierhead line, the lands of Battery Park and the southerly line of Battery Place.

(6) "Project". One or more works or improvements including lands, buildings, improvements, real, personal or mixed property or any interest therein, acquired, owned, constructed, reconstructed, rehabilitated or improved by the authority, or caused to be acquired, owned, constructed, reconstructed, rehabilitated or improved by the authority within the project area as defined herein, all as the authority shall deem necessary, together with lands, buildings and

improvements outside the project area required for relocation of city facilities and for vehicular and pedestrian access roads, rights of way, utility and other easements to and from the project area all as the authority shall deem necessary and as shall be determined by agreement with the city.

(7) "Project cost". The sum total of all costs incurred by the authority in carrying out all works and undertakings which the authority deems reasonable and necessary for the development of the project. These shall include but are not necessarily limited to the costs of all necessary studies, surveys, plans and specifications, architectural, engineering or other special services, acquisition of land and any building thereon, site preparation and development, construction, reconstruction, rehabilitation and improvement of the project area; the necessary expenses incurred in connection with the initial occupancy of the project; the administrative and operating expenses of the authority; the cost of financing the project, including interest on bonds and notes issued by the authority to finance the project from the date thereof to the date when the authority shall determine that the project be deemed substantially complete; the cost of other necessary items, including any indemnity and surety bonds and premiums on insurance, legal fees, fees and expenses of trustees, depositories and paying agents for the bonds and notes issued by the authority; relocation costs, all as the authority shall deem necessary and the costs of acquisition and construction of lands, buildings and improvements outside the project area for relocation of city facilities whether such costs are incurred by the authority or by the city for and on behalf of the authority and for vehicular and pedestrian access roads, rights of way, utility and other easements to and from the project area, all as the authority shall deem necessary and as shall be determined by agreement with the city.

(8) "Real property". Lands, structures, improvements, franchises and interests in land, including lands under water, waterfront property, marginal streets and riparian rights, space rights and air rights and any and all other things and rights usually included within said term and any fixtures, equipment and article of personal property affixed to or used in connection therewith. Real property shall also mean and include any and all interests in such property less than full title, such as easements, incorporeal hereditaments and every estate, interest or right, legal or equitable, including terms for years and liens thereon by way of judgments, mortgages or otherwise, and also all claims for damages for such real estate.

(9) "State". The state of New York.

(10) "State agency". Any officer, board, department, commission, bureau, division, public corporation, agency or instrumentality of the state.

(11) "Subsidiary". A corporation created pursuant to section nineteen hundred seventy-four-a of this title.

(12) "Residential housing facilities". One or more works or improvements containing one or more residential dwelling units, including, but not limited to, single room occupancy units, and including the real and personal property acquired, owned, constructed, equipped, improved, enlarged, rehabilitated or renovated to provide such accommodations and such incidental and appurtenant commercial, social, recreational or communal facilities, to be located without the Battery Park project area and within the city.

(13) "Excess revenues". All revenues from the Battery Park project area in excess of those needed

(i) to satisfy bond and note covenants (other than as they relate to bonds and notes issued pursuant to section nineteen hundred seventy-four-c of this title and section six hundred fifty-four-c of the private housing finance law) including those covenants which require that the authority maintain its revenues and reserve funds in an amount necessary to permit it to discharge its debt service obligations,

(ii) to fulfill its legal and financial commitments, and

(iii) to pay its operating and maintenance expenses.

(14) "Housing New York program". The housing New York program established by section four of the housing New York program act.

(15) "Housing New York corporation". The subsidiary corporation of the New York city housing development corporation created by section six hundred fifty-four-c of the private housing finance law.

#### NY CLS Pub A § 1973

#### § 1973. Battery park city authority

(1) There is hereby created the battery park city authority which shall be a body corporate and politic, constituting a public benefit corporation. Its membership shall consist of [fig 1] seven members to be appointed by the governor with the advice and consent of the senate. One of the members first appointed shall serve for a term ending four years from January first next succeeding his appointment; one of such members shall serve for a term ending five years from such date; and one of such members shall serve for a term ending six years from such date. Provided, however, that two board members first appointed on or after the effective date of the chapter of the laws of two thousand five which amended this subdivision shall serve an initial term of two years; provided further that two other board members first appointed on or after the effective date of the chapter of the laws of two thousand five which amended this subdivision shall serve an initial term of four years. Their successors shall serve for terms of six years each. Members shall continue in office until their successors have been appointed and qualified and the provisions of section thirty-nine of the public officers law shall apply. In the event of a vacancy occurring in the office of a member by death, resignation or otherwise, the governor shall appoint a successor with the advice and consent of the senate to serve for the balance of the unexpired term.

(2) The members shall elect the chairman of the authority from among their number. The members shall serve without salary or other compensation, but each member shall be entitled to reimbursement for actual and necessary expenses incurred in the performance of his or her official duties. Anything to the contrary contained herein notwithstanding, any member who serves as an employee of the authority shall be entitled to receive such salary as the members may determine for services as such employee.

(3) Such members other than those serving as employees of the authority may engage in private employment, or in a profession or business. The authority, its members, officers and employees shall be subject to the provisions of sections seventy-three and seventy-four of the public officers law.

(4) Notwithstanding any inconsistent provision of law, general, special or local, no officer of the state or of any civil division thereof shall be deemed to have forfeited or shall forfeit his office or employment by reason of his acceptance of membership on the authority created by this section.

(5) The governor may remove any member for inefficiency, neglect of duty or misconduct in office after giving him a copy of the charges against him and an opportunity to be heard, in person or by counsel, in his defense, upon not less than ten days notice. If any such member shall be removed, the governor shall file in the office of the department of state a complete statement of the charges made against such member and his findings thereon, together with a complete record of the proceedings.

(6) The authority and its corporate existence shall continue until terminated by law, provided, however, that no such law shall take effect so long as the authority shall have bonds, notes and other obligations outstanding, unless adequate provision has been made for the payment thereof in the documents securing the same. Upon termination of the existence of the authority, all its rights and properties shall vest in the state.

(7) A majority of the members of the authority shall constitute a quorum for the transaction of any business or the exercise of any power or function of the authority. The authority may delegate to one or more of its members, or to its officers, agents or employees, such powers and duties as it may deem proper.

#### NY CLS Pub A § 1974

#### § 1974. Powers of the authority

The authority shall have power:

1. To sue and be sued;
2. To have a seal and alter the same at pleasure;
3. To acquire, lease, hold, mortgage and dispose of real property and personal property or any interest therein for its corporate purposes;
4. To acquire, construct, improve, enlarge, operate and maintain a project within the project area as defined herein and all other structures, appurtenances and facilities necessary or convenient in connection therewith, provided, however, that all contracts for construction let by the authority shall be let in conformity with the provisions of section one hundred thirty-five of the state finance law except that contracts for construction let by subsidiaries of the authority shall be governed instead by the applicable provisions of the private housing finance law;
5. To appoint officers, agents and employees, prescribe their qualifications and duties and fix their compensation;
6. To make by-laws for the management and regulation of its affairs, and, subject to agreements with bondholders, for the regulation of the projects;
7. With the consent of the city to use agents, employees and facilities of the city, paying to the city its agreed proportion of the compensation or cost;



8. To make contracts and to execute all necessary or convenient instruments, including leases and subleases, evidences of indebtedness, negotiable or non-negotiable;

9. To engage the services of consultants on a contract basis for rendering professional and technical assistance and advice;

10. To accept grants, loans or contributions from the United States, or the state or the city, or any agency or instrumentality of any of them, or from any other source and to expend the proceeds for any corporate purpose;

11. To fix, establish and collect rates, rentals, fees and other charges for the use of the project, subject to and in accordance with such agreements with bondholders and noteholders as may be made as hereinafter provided;

12. To create subsidiaries pursuant to section nineteen hundred seventy-four-a of this title;

13. To lend or donate monies, whether secured or unsecured, to any subsidiary, and to purchase, sell or pledge the shares, bonds or other obligations or securities thereof, on such terms and conditions as the authority may deem advisable;

14. To make loans secured by a first mortgage, and to make temporary loans or advances, to any housing company organized to provide housing within the Battery Park city project area pursuant to and subject to the provisions of article two, article four or article eleven of the private housing finance law, including any subsidiary of the authority, and to undertake commitments therefor. Any such commitments or loans may contain such terms and conditions not inconsistent with the provisions of this title as the authority may deem necessary or desirable to secure repayment of its loan, the interest, if any, thereon and other charges in connection therewith;

15. Subject to the provisions of any contract with noteholders or bondholders, to sell, at public or private sale, any mortgage or other security for a mortgage loan made by the authority;

16. In connection with the making of mortgage loans and commitments therefor, to make, fix or establish and collect such fees and charges, including but not limited to reimbursement of all costs of financing by the authority, service charges and insurance premiums, as the authority shall determine to be reasonable subject to the provisions of any contract with noteholders or bondholders;

17. To procure or agree to the procurement of insurance or guarantees from the federal government of the payment of any bonds or notes, mortgages or any other evidences of indebtedness issued by the authority or its subsidiaries, including the power to pay premiums on any such insurance;

18. Subject to the provisions of any contract with noteholders or bondholders, to consent to the modification, with respect to rate of interest, time of payment of any installment of principal or interest, security or any other term, of any mortgage, mortgage loan, mortgage loan commitment, contract or agreement of any kind to which the authority is a party;

19. In connection with any property on which the authority has made a mortgage loan, to foreclose on any such property or commence any action to protect or enforce any right conferred upon the authority by any law, mortgage, contract or other agreement, and to bid for and purchase such property at any foreclosure or at any other sale, or acquire or take possession of any such property; and in such event the authority may complete, administer, pay the principal of and interest on any obligations incurred in connection with such property, and

dispose of, and otherwise deal with, such property, in such manner as may be necessary or desirable to protect the interests of the authority therein;

20. To manage any project, whether or not then owned or leased by the authority, and to enter into agreements with the state or any municipality or any agency or instrumentality thereof, or with any person, firm, partnership or corporation, either public or private, for the purpose of causing any project to be managed;

21. To procure insurance against any loss in connection with its property and other assets and operations in such amounts and from such insurers as it deems desirable;

22. Notwithstanding the provisions of this title or of any other law, general, special or local, whenever the authority shall find that the maximum rentals charged tenants of the dwellings in any project financed by the authority in whole or in part shall not be sufficient, together with all other income of the mortgagor, to meet within reasonable limits all necessary payments to be made by the mortgagor of all expenses including fixed charges, sinking funds, reserves and dividends, to request the mortgagor to make application to vary the rental rate for such dwellings so as to secure sufficient income, and upon failure of the mortgagor to take such action within sixty days after receipt of written request from the authority to do so, to vary such rental rate by action of the authority.[:] [n1]

23. To do all things necessary or convenient to carry out the powers expressly given in this title.[:] [n2]

24. To borrow money and issue negotiable bonds, notes or other obligations and to provide for the rights of the holders thereof;

25. To carry out its powers and responsibilities with respect to the chapter of the laws of nineteen hundred ninety which enacted this subdivision.

#### NY CLS Pub A § 1974-a

##### § 1974-a. Subsidiaries; how created

1. The authority by resolution from time to time may direct any of its members, officers or employees to organize one or more wholly-owned subsidiary corporations pursuant and subject to article two, article four or article eleven of the private housing finance law. Such resolution shall prescribe the purposes for which such subsidiary is to be organized.

2. The authority may transfer to any subsidiary any money or real or personal or mixed property or any project in order to carry out the purposes of this title. Each such subsidiary shall have all the privileges, immunities, tax exemptions and other exemptions of the authority to the extent the same are not inconsistent with the statute or statutes pursuant to which such subsidiary was organized. Except as may be inconsistent with the provisions of this title, such subsidiary shall have all the rights and powers granted to housing companies by the private housing finance law and by any other statute pursuant to which such subsidiary was organized.

3. No member or officer of the authority shall receive any additional compensation, either direct or indirect, other than reimbursement for actual and necessary expenses incurred in the performance of his duties, by reason of his serving as a member, director, trustee or officer of any subsidiary.

## NY CLS Pub A § 1974-b

## § 1974-b. Lease and other agreements

1. As used or referred to in this title, unless a different meaning clearly appears from the context:

(a) "owner" shall mean any individual, partnership, trust or public or private corporation (including a cooperative housing corporation), holding the tenant's interest in a residential lease.

(b) "residential lease" shall mean a lease, sublease or other agreement that relates to all or a portion of a project, where all of such project, or the portion thereof to which such lease, sublease or other agreement relates, is designed and intended for the purpose of providing housing accommodations and such facilities as may be incidental thereto, the landlord's interest in which is held by the authority at the time such lease, sublease or other agreement is entered into.

(c) "underlying parcel" shall mean a parcel subject to a residential lease; provided, however, that in any case where the tenant's interest in a residential lease is held by a unit owner, "underlying parcel" shall mean the parcel in which the unit is included.

(d) the terms "unit owner" and "unit" shall have the meanings specified in section three hundred thirty-nine-e of the real property law. The term "parcel" shall have the meaning specified in section one hundred two of the real property tax law; provided, however, that in any case where the tenant's interest in a residential lease is held by a unit owner, "parcel" shall mean the real property deemed to be a parcel pursuant to paragraph (a) of subdivision two of section three hundred thirty-nine-y of the real property law.

2. (a) If an underlying parcel is exempt from real property taxes, or no real property taxes are payable with respect thereto, pursuant to the provisions of section nineteen hundred eighty-one of this title or of section twenty-two of chapter one hundred seventy-four of the laws of nineteen hundred sixty-eight, the residential lease for such underlying parcel shall provide for the payment by the owner of such residential lease to the authority of annual or other periodic amounts equal to the amount of real property taxes that otherwise would be paid or payable with respect to such underlying parcel, after giving effect to any real property tax abatements and exemptions, if any, which would be applicable thereto, if the provisions of section nineteen hundred eighty-one of this title or of section twenty-two of chapter one hundred seventy-four of the laws of nineteen hundred sixty-eight were not applicable to such underlying parcel.

(b) If an underlying parcel is owned by the city of New York, the residential lease for such underlying parcel shall provide for the payment by the owner of such residential lease to the city of New York of annual or other periodic amounts equal to the amount of real property taxes that are payable with respect to such underlying parcel, after giving effect to any real property tax abatements and exemptions, if any, which are applicable thereto.

(c) Where the owner of a residential lease is assessed for real property taxes with respect to the underlying parcel subject to such residential lease pursuant to section five hundred two of the real property tax law and section three hundred thirty-nine-y of the real property law, payment of such real property taxes shall be credited against the annual or periodic amounts of tax equivalency payments, payments in lieu of taxes or similar payments required to be paid

under such residential lease.

NY CLS Pub A § 1974-c

§ 1974-c. Additional powers of the authority

1. It is hereby found and declared that the legislature, pursuant to the housing New York program act, has established a housing New York program under which the city of New York, any agency or instrumentality thereof (other than the housing New York corporation) and the New York city housing development corporation will cause the acquisition, construction, equipping, improving, rehabilitation and renovation of dwelling accommodations within the city of New York for persons and families for whom the ordinary operations of private enterprise cannot supply such accommodations; that such program is necessary in order to increase the presently inadequate supply of dwelling accommodations in such city for persons and families of low and moderate income; that such program shall require a substantial commitment of funds from public sources; and that the need for such moneys necessitates that the authority be granted the additional powers and be made subject to the additional requirements of this section. The legislature therefore finds that the authority, subject to the terms and conditions specified herein, should be given the power to assign certain excess revenues to secure bonds and notes to be issued by the housing New York corporation for use by the city of New York, and any agency or instrumentality thereof (other than the housing New York corporation) or the New York city housing development corporation in the housing New York program; that the assignment of such excess revenues for the financing of residential housing facilities in accordance with the housing New York program is a public purpose for which moneys may be granted; and that the powers and duties of the authority as recited in this section are necessary and proper for achieving the ends herein recited.

2. In addition to the powers of the authority set forth in section nineteen hundred seventy-four of this title, the authority shall have the power:

(a) to borrow money by issuing bonds and notes and to issue such bonds and notes for the purposes of

(i) repaying appropriations from the state to the authority in accordance with the provisions of any repayment agreements with the state,

(ii) furthering the development of the infrastructure of the Battery Park project area, and

(iii) refunding any bonds and notes of the authority issued pursuant to this section;

(b) subject to the provisions of any contract with noteholders and bondholders, to

(i) pledge any excess revenues or assets (other than real property) of the authority, including, but not limited to such excess revenues as the authority shall deem necessary, to secure any bonds or notes issued by the authority pursuant to this section and

(ii) assign such excess revenues as the authority shall deem necessary to secure any bonds or notes issued or any agreements entered into by the housing New York corporation pursuant to section six hundred fifty-four-c of the private housing finance law or pay any expenses related thereto for the purpose of financing the acquisition, construction, equipping, improvement, enlargement, rehabilitation and renovation of residential housing facilities in accordance with the

provisions of the housing New York program and to enter into any agreement or execute any document to accomplish the foregoing;

(c) to procure insurance, letters of credit or other credit enhancements with respect to its bonds or notes issued pursuant to this section and to pay the premiums and fees therefor;

(d) to adopt, amend or rescind rules and regulations appropriate to carry out its corporate purposes and to establish such requirements and enter into such agreements to achieve the objectives of this section; and

(e) to exercise any and all other powers authorized by this title and not inconsistent with the provisions of this section.

3. Notwithstanding any contrary provision of law, general, special, or local, no moneys of the authority, or moneys received from the authority, which are expended pursuant to a chapter of the laws of nineteen hundred eighty-six entitled "An Act to enact the housing New York program act for the purpose of establishing a housing New York program and to amend the public authorities law, in relation to authorizing Battery Park city authority to assign excess revenues to secure bonds to be issued by the housing New York corporation and the private housing finance law, in relation to creating such corporation and authorizing the financing of certain housing accommodations within the city of New York", shall be used by the authority, directly or indirectly, for the design, planning, acquisition, financing, construction or implementation of any landfill or any pilings, platforms, decks or similar structures and in addition, any dredging or filling activities, in the Hudson river between the northern boundary of the Battery Park project area as provided for in subdivision five of section nineteen hundred seventy-two of this title and forty-second street in the city of New York except to the extent that such activities are necessary to maintain the Battery Park project area landfill site, nor shall any such moneys authorized to be assigned or pledged by such act be assigned or pledged, directly or indirectly, to secure or pay the debt service on any bonds or notes issued or any agreements entered into by the housing New York corporation if the proceeds of such bonds or notes are to be used directly or indirectly, or the purpose of such agreements is to accomplish directly or indirectly, any of the prohibited activities listed in this subdivision.

4. No excess revenues may be assigned by the authority to the housing New York corporation to finance residential housing facilities pursuant to section six hundred fifty-four-c of the private housing finance law unless the authority has entered into an agreement or agreements with the housing New York corporation, which provides, in addition to any other terms and conditions, that:

(a) such residential housing facilities are to provide dwelling accommodations which are to be occupied by persons and families for whom the ordinary operations of private enterprise cannot provide an adequate supply of safe, sanitary and affordable dwelling accommodations;

(b) neither the state nor the authority are to have any responsibility as to the financing, operation, maintenance, repair or use of such residential housing facilities unless otherwise specifically provided by law;

(c) the housing New York corporation shall use the moneys assigned to it by the authority pursuant to this section to secure and pay bonds and notes issued to finance residential housing facilities in accordance with provisions of the housing New York program and shall comply with the terms and conditions of the housing New York program act and this section; and

(d) the timing, amount, maturity schedule and all other terms and conditions of any issuance of bonds or notes by the housing New York corporation pursuant to section six hundred fifty-four-c of the private housing finance law, will provide for the authority's requirements as to the development, management or operation of the project and the effect of such terms and conditions on the availability of excess revenues and the pledge or assignment thereof.

5. For the purposes of furthering the development of the infrastructure of the Battery Park project area and repaying appropriations from the state to the authority pursuant to this section, the authority may, in addition to the authorization contained in subdivision one of section nineteen hundred seventy-seven-a of this title, borrow money by issuing bonds or notes in an aggregate principal amount not exceeding one hundred million dollars plus a principal amount of bonds or notes issued

(i) to fund any related debt service reserve fund,

(ii) to provide capitalized interest, and

(iii) to provide fees and other charges and expenses, including underwriters' discount, related to the issuance of such bonds or notes and the maintenance of such reserves, all as determined by the authority, excluding bonds and notes issued to refund outstanding bonds and notes issued pursuant to this section.

In computing the total principal amount of bonds and notes that may at any time be issued for any purpose under this title, the amount of the outstanding bonds or notes that constitutes interest under the United States Internal Revenue Code of nineteen hundred fifty-four, as amended to the effective date of this section, shall be excluded.

6. The authority may covenant and consent that the interest on any of its bonds or notes issued pursuant to subdivision five of this section shall be includible, under the United States Internal Revenue Code of nineteen hundred fifty-four or any subsequent corresponding internal revenue law of the United States, in the gross income of the holders of the bonds or notes to the same extent and in the same manner that the interest on bills, bonds, notes or other obligations of the United States is includible in the gross income of the holders thereof under said Internal Revenue Code or any such subsequent law.

7. The state of New York does pledge to and agree with the holders of any bonds or notes issued by the housing New York corporation under section six hundred fifty-four-c of the private housing finance law, that the state will not limit or alter the rights hereby vested in the authority to fulfill the terms of any agreements made with such corporation to assign any excess revenues, or in any way impair the rights and remedies of such corporation thereunder, until the bonds and notes, together with interest thereon, interest on any unpaid installments of interest, and all costs and expenses in connection with any action or proceeding by or on behalf of the bondholders and noteholders are fully met and discharged.

8. It is the intention of the legislature that any assignment of excess revenues or portion thereof by the authority pursuant to this section shall be valid and binding from the time when the assignment is made in accordance with its terms; that the excess revenues so assigned by the authority shall immediately be subject to the lien of such assignment without any physical delivery thereof or further act, and that the lien of any such assignment shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the authority irrespective of whether such parties have notice thereof. Neither the resolution or any other instrument by which an assignment is created need be recorded.

## NY CLS Pub A § 1974-d

## § 1974-d. Contracts

In connection with development, construction, operations and maintenance contracts for projects of the authority, minority and women-owned business enterprises and minority group members and women shall be given the opportunity for meaningful participation. The authority shall establish measures and procedures to secure meaningful participation by minority and women-owned business enterprises on contracts for projects of the authority. Such measures and procedures shall also promote the employment of minority group members and women on such contracts. For the purposes thereof, "minority business enterprise" shall mean any business enterprise which is at least fifty-one per centum owned by, or in the case of a publicly owned business, at least fifty-one per centum of the stock of which is owned by citizens or permanent resident aliens who are Black, Hispanic, Asian or American Indian, and such ownership interest is real, substantial and continuing and "women-owned business enterprise" shall mean any business enterprise which is at least fifty-one per centum owned by, or in the case of a publicly owned business, at least fifty-one percent of the stock of which is owned by citizens or permanent resident aliens who are women and such ownership interest is real, substantial and continuing. The provisions of this section shall not be construed to limit the ability of any minority or women-owned business enterprise to bid on any contract. In order to implement the requirements and objectives of this section in connection with such projects, the authority shall be responsible for monitoring compliance with the provisions hereof, providing advice on the availability of competitive qualified minority and women-owned business enterprises to perform contracts proposed to be awarded, and making recommendations to improve the access of minority and women-owned business enterprises to these contracts.

## NY CLS Pub A § 1975

## § 1975. Moneys of the authority

1. All moneys of the authority from whatever source derived shall be paid to the treasurer of the authority and shall be deposited forthwith in a bank or banks in the state designated by the authority. The moneys in such accounts shall be paid by the treasurer or other agent duly designated by the authority on requisition of the chairman of the authority or of such other person or persons as the authority may authorize to make such requisitions. All deposits of such moneys, shall, if required by the authority, be secured by obligations of the United States or of the state of New York of a market value equal at all times to the amount of the deposit and all banks and trust companies are authorized to give such security for such deposits. The obligations shall either be deposited with the treasurer or be held by a trustee or agent satisfactory to the authority. The comptroller and his legally authorized representatives are authorized and empowered from time to time to examine the accounts and books of the authority, including its receipts, disbursements, contracts, leases, sinking funds, investments and any other records and papers relating to its financial standing.

2. Notwithstanding any provision of law to the contrary, the authority is hereby authorized to contribute [fig 1] two hundred million dollars to the state treasury to the credit of the general fund.
3. Any moneys of the authority, including the proceeds of bonds or notes, not required for immediate use may, at the discretion of the authority be invested in obligations of the state or of the United States of America or obligations the principal of and interest on which are guaranteed by the state or the United States of America, or in any other obligations in which the comptroller of the state of New York is authorized to invest pursuant to section ninety-eight of the state finance law.
4. The authority shall have power to contract with holders of any of its bonds or notes, as to the custody, collection, securing, investment, and payment of any moneys of the authority, of any moneys held in trust or otherwise for the payment of bonds or notes, and to carry out such contract. Moneys held in trust or otherwise for the payment of bonds or notes or in any way to secure bonds or notes and deposits of such moneys may be secured in the same manner as moneys of the authority, and all banks and trust companies are authorized to give such security for such deposits.
5. Subject to the provisions of any contract with bondholders or noteholders and to the approval of the comptroller, the authority shall prescribe a system of accounts.

#### NY CLS Pub A § 1976

##### § 1976. Bonds of the authority

1. [As amended by L 1969, ch 624] The authority shall have power and is hereby authorized from time to time to issue its negotiable bonds for any corporate purpose, including incidental expenses in connection therewith. The authority shall have power from time to time and whenever it deems refunding expedient, to refund any bonds by the issuance of new bonds, whether the bonds to be refunded have or have not matured, and may issue bonds partly to refund bonds then outstanding and partly for any other corporate purpose. Except as may be otherwise expressly provided by the authority, every issue of bonds by the authority shall be general obligations payable out of any moneys, earnings, or revenues of the authority, subject only to any agreements with the holders of particular bonds, pledging any particular moneys, earnings or revenues. Whether or not the bonds are of such form and character as to be negotiable instruments under article eight of the uniform commercial code, the bonds shall be and are hereby made negotiable instruments within the meaning of and for all the purposes of article eight of the uniform commercial code, subject only to the provisions of the bonds for registration.

1. [As amended by L 1969, ch 972] The authority shall have power and is hereby authorized from time to time to issue its negotiable bonds in conformity with applicable provisions of the uniform commercial code for any corporate purpose, including incidental expenses in connection therewith. The authority shall have power from time to time and whenever it deems refunding expedient to refund any bonds by the issuance of new bonds, whether the bonds to be refunded have or have not matured, and may issue bonds partly to refund bonds then outstanding and partly for any other corporate purpose. Except as may be otherwise expressly provided by the authority, every issue of bonds by the authority shall be general obligations

payable out of any moneys, earnings, or revenues of the authority, subject only to any agreements with the holders of particular bonds, pledging any particular moneys, earnings or revenues.

2. The bonds shall be authorized by resolution of the authority and shall bear such date or dates, mature at such time or times, bear interest at such rate or rates, be in such denominations, be in such form, either coupon or registered, carry such registration privileges, be executed in such manner, be payable in such medium of payment at such place or places, and be subject to such terms of redemption prior to maturity as such resolution or resolutions may provide.

3. All bonds of the authority shall be sold at public or private sale as may be determined by the authority.

4. Any resolution or resolutions authorizing any bonds or any issue of bonds may contain provisions, which shall be a part of the contract with the holders of the bonds thereby authorized, as to

(a) pledging all or any part of the moneys, earnings, income and revenues derived from the project to secure the payment of the bonds or of any issue of the bonds, subject to such agreements with bondholders as may then exist;

(b) the rates, rentals, fees and other charges to be fixed, established and collected and the amounts to be raised in each year thereby, and the use and disposition of the earnings and other revenues;

(c) the setting aside of reserves and the creation of sinking funds and the regulation and disposition thereof;

(d) limitations on the right of the authority to restrict and regulate the use of the project;

(e) limitations on the purposes to which and the manner in which the proceeds of sale of any bonds or any issue of bonds may be applied;

(f) limitations on the issuance of additional bonds, the terms upon which additional bonds may be issued and secured, and the refunding of outstanding bonds or other bonds;

(g) the procedure, if any, by which the terms of any contract with bondholders may be amended or abrogated, the amount of bonds the holders of which must consent thereto, and the manner in which such consent may be given;

(h) the creation of special funds into which any earnings or revenues of the authority may be deposited;

(i) the terms and provisions of any mortgage or trust deed or indenture securing the bonds or under which the bonds may be issued;

(j) vesting in a trustee or trustees such properties, rights, powers and duties in trust as the authority may determine which may include any or all of the rights, powers and duties of the trustee appointed by the bondholders pursuant to section nineteen hundred eighty-three of this title, and limiting or abrogating the right of the bondholders to appoint a trustee under such section or limiting the rights, powers and duties of such trustee;

(k) defining the acts or omissions to act which shall constitute a default in the obligations and duties of the authority to the bondholders and providing the rights and remedies of the



bondholders in the event of such default, including as a matter of right the appointment of a receiver, provided, however, that such rights and remedies shall not be inconsistent with the general laws of this state and other provisions of this title;

(l) limitations on the power of the authority to sell or otherwise dispose of its properties;

(m) limitations on the amount of moneys derived from the project to be expended for operating, administrative and other expenses of the authority;

(n) the protection and enforcement of the rights and remedies of the bondholders;

(o) the obligations of the authority in relation to the construction, maintenance, operation, repairs and insurance of the project and the safeguarding and application of all moneys;

(p) the payment of the proceeds of bonds and revenues of the project to a trustee or other depository, and for the method of disbursement thereof and such safeguards and restrictions as the authority may determine;

(q) any other matters, of like or different character which may in any way affect the security or protection of the bonds.

5. It is the intention of the legislature that any pledge of earnings, revenues or other moneys made by the authority shall be valid and binding from the time when the pledge is made; that the earnings, revenues or other moneys so pledged and thereafter received by the authority shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act, and that the lien of any such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the authority irrespective of whether such parties have notice thereof. Neither the resolution nor any other instrument by which a pledge is created need be recorded.

6. Neither the members of the authority nor any person executing the bonds or other obligations shall be liable personally on the bonds or other obligations or be subject to any personal liability or accountability by reason of the issuance thereof.

7. The authority shall have power out of any funds available therefor to purchase (as distinguished from the power of redemption hereinabove provided) any bonds and all bonds so purchased shall be cancelled.

8. In the discretion of the authority, the bonds may be secured by a trust indenture by and between the authority and a corporate trustee, which may be any trust company or bank having the powers of a trust company in the state of New York. Such trust indenture may contain such provisions for protecting and enforcing the rights and remedies of the bondholders as may be reasonable and proper and not in violation of law, including covenants setting forth the duties of the authority in relation to the construction, maintenance, operation, repair and insurance of the project, and the custody, safeguarding and application of all moneys. The authority may provide by such trust indenture for the payment of the proceeds of the bonds and the revenues of the project to the trustee under such trust indenture or other depository, and for the method of disbursement thereof, with such safeguards and restrictions as it may determine. All expenses incurred in carrying out such trust indenture may be treated as a part of the cost of maintenance, operation and repairs of the project. If the bonds shall be secured by a trust indenture the bondholders shall have no authority to appoint a separate trustee to represent them.

## NY CLS Pub A § 1977

## § 1977. Notes of the authority

The authority shall have power and is hereby authorized to issue negotiable bond anticipation notes in conformity with applicable provisions of the uniform commercial code and may renew the same from time to time but the maximum maturity of such notes, including renewals thereof, shall not exceed seven years from the date of issue of such original note. Such notes shall be payable from any moneys of the authority available therefor and not otherwise pledged or from the proceeds of sale of the bonds of the authority in anticipation of which they were issued. The notes may be issued for any corporate purpose of the authority. Whether or not the notes are of the form and character as to be negotiable instruments under article eight of the uniform commercial code, the notes shall be and are hereby made negotiable instruments within the meaning of and for all the purposes of article eight of the uniform commercial code, subject only to provisions of the notes for registration. The notes shall be issued in the same manner as the bonds and such notes and the resolution or resolutions authorizing the same may contain any provisions, conditions or limitations which the bonds or a bond resolution of the authority may contain. Such notes may be sold at public or private sale. The authority shall have power to make contracts for the future sale from time to time of the notes, pursuant to which the purchaser shall be committed to purchase the notes from time to time on terms and conditions stated in the contracts, and the authority shall have power to pay such consideration as it shall decree proper for such commitments. In case of default on its notes or violation of any obligations of the authority to the noteholders, the noteholders shall have all the remedies provided herein for bondholders. Such notes shall be as fully negotiable as the bonds of the authority.

## NY CLS Pub A § 1977-a

## § 1977-a. Bond and Note Authorization

1. (a) For the purpose of financing project costs for the project for the Battery Park project area other than the financing of loans, advances and mortgage loans to housing companies organized to provide housing within the Battery Park project area, the authority may issue bonds and notes in an aggregate principal amount at any one time outstanding not exceeding three hundred million dollars, excluding bonds and notes issued to refund outstanding bonds and notes.

(b) Commodities and futures exchange facility. For the purpose of financing project costs to further the development of a commodities and futures exchange facility as part of the project to be located in the Battery Park project area, the authority may, in addition to the authorizations contained elsewhere in this title, borrow money by issuing bonds or notes in an aggregate principal amount not exceeding one hundred ten million dollars plus a principal amount of bonds or notes issued (i) to fund any related debt service reserve fund, (ii) to provide capitalized interest, and (iii) to provide fees and other charges and expenses, including underwriters' discount, related to the issuance of such bonds or notes and the maintenance of such reserves, all as determined by the authority, excluding bonds and notes issued to refund outstanding bonds and notes issued pursuant to this section. The authority may make loans from the proceeds of such issuance and may make temporary loans or advances, for the purpose of



developing a commodities and futures exchange within the Battery Park project area, and may undertake commitments therefor. Any such loans, advances or commitments shall be secured by a mortgage on or security interest in the property interests of such exchanges within the Battery Park project area and shall contain such terms and conditions not inconsistent with the provisions of this title as the authority may deem necessary or desirable to secure payment of its loan, the interest thereon and other changes in connection therewith.

(c) Additional authorizations. In addition to the authorizations contained elsewhere in this title, the authority may issue indebtedness for the purpose of refunding outstanding indebtedness of the housing New York corporation which is secured by revenues of the authority, and indebtedness for the purpose of refunding such refunding indebtedness issued by the authority including the funding of reserves and providing for fees and other charges and expenses, including underwriters' discounts, related to the issuance of such refunding bonds or notes, all as determined by the authority.

(d) Additional authorizations. For the purpose of financing capital costs in connection with development of the project area, the authority may, in addition to the authorizations contained elsewhere in this title, borrow money by issuing bonds or notes in an aggregate principal amount not exceeding one hundred fifty million dollars plus a principal amount of bonds or notes issued (i) to fund any related debt service reserve fund, (ii) to provide capitalized interest, and (iii) to provide for fees and other charges and expenses including any underwriters' discounts, related to the issuance of such bonds or notes, all as determined by the authority, excluding bonds and notes issued to refund outstanding bounds [bonds] [n1] and notes issued pursuant to this section.

(e) Additional authorizations. For the purpose of financing costs of the state, the authority may, in addition to the authorizations contained elsewhere in this title, borrow money by issuing bonds or notes in an aggregate principal amount not exceeding two hundred fifty million dollars plus a principal amount of bonds or notes issued (i) to fund any related debt service reserve fund, (ii) to provide capitalized interest, and (iii) to provide for fees and other charges and expenses including any underwriters' discounts, related to the issuance of such bonds or notes, all as determined by the authority, excluding bonds and notes issued to refund outstanding bonds and notes issued pursuant to this section.

2. For the purposes of financing loans, advances and mortgage loans to housing companies organized pursuant to article two, article four or article eleven of the private housing finance law, including subsidiaries of the authority, for housing accommodations to be erected in the Battery Park project area, the authority may issue bonds and notes in an aggregate principal amount at any one time outstanding not exceeding four hundred million dollars, excluding bonds and notes issued to refund outstanding bonds and notes.

3. The fixing of the statutory maximums as provided in subdivisions one and two of this section shall not be construed as constituting a contract between the authority and the holders of its bonds or notes that additional bonds and notes may not be issued subsequently by the authority in the event that such statutory maximums shall subsequently be increased by law.

4. The authority shall have the power to enter into interest rate exchange agreements, which shall mean written contracts entered into in connection with the issuance of authority debt or in connection with such authority debt already outstanding [fig 1] to provide for [fig 2] exchange of payments based upon fixed and/or variable interest rates, and shall be for exchanges in currency of the United States of America only. The authority shall have the power: (a) until December thirty-first, two thousand three, to enter into such interest rate exchange agreements

[fig 3] , and (b) thereafter to enter into replacements and substitutions for and amendments to exchange agreements, provided that no such replacement, substitution or amendment shall increase the notional principal amount under an exchange agreement or extend the term of an exchange agreement. The authority shall be subject to subdivision three of section sixty-nine-d of the state finance law.

#### NY CLS Pub A § 1977-b

##### § 1977-b. Reserve funds and appropriations

1. In addition to setting aside of such other reserves or sinking funds as it shall deem advisable and necessary, and the regulation and disposition thereof, the authority shall create and establish a special fund to be known as and hereinafter called the "Battery Park project area capital reserve fund" and shall pay into such fund (a) any moneys appropriated and made available by the state only for the purposes of such fund, (b) any proceeds of sale of any bonds issued to finance the Battery Park project area to the extent provided in the resolution of the authority authorizing the issuance thereof, (c) any funds directed to be transferred by the authority to such fund, and (d) any other moneys made available to the authority only for the purposes of such fund from any other source or sources. The moneys held in or credited to such capital reserve fund, except as hereinafter provided, shall be used solely for the payment of the principal of such bonds or of the sinking fund payments hereinafter mentioned with respect to such bonds, the purchase or redemption of such bonds, the payment of interest on such bonds, or the payment of any redemption premium required to be paid when any of such bonds are redeemed prior to maturity; provided, however, that moneys in such fund shall not be withdrawn therefrom at any time in such amount as would reduce the amount of such fund to less than the amount of the Battery Park project area capital reserve fund requirement hereinbelow referred to, except for the purpose of making with respect to such bonds payment, when due, of principal, interest and the sinking fund payments hereinafter mentioned for the payment of which other moneys of the authority are not available. Moneys in such capital reserve fund not required for immediate use or disbursement may be invested in obligations of the state or the United States of America or obligations the principal and interest of which are guaranteed by the state or the United States of America or obligations of agencies of the United States of America which may from time to time be legally purchased by savings banks of the state as investment of funds belonging to them or in their control. In computing the amount of such capital reserve fund for the purposes of this section, securities in which all or a portion of such fund are invested shall be valued at par or, if purchased at less than par, at their cost to the authority.

2. The authority shall not issue any of such bonds at any time secured by such capital reserve fund if the amount in such capital reserve fund at the time of issuance does not equal or exceed the amount of said capital reserve fund requirement unless the authority at the time of issuance of such bonds shall deposit in such fund from the proceeds of such bonds or other sources an amount which together with the amount then in such fund will not be less than the amount of said capital reserve fund requirement.

3. In order to assure the continued operation and solvency of the authority for the fulfillment of its corporate purposes with respect to the Battery Park project area, the chairman of the authority shall annually, on or before December first, make and deliver to the governor and director of the budget his certificate stating the sum, if any, required to restore such capital reserve fund to the amount as of the particular date of computation equal to the greatest (herein sometimes called the "Battery Park project area capital reserve fund requirement") of the respective amounts for the then current or any future fiscal year of the authority, of annual debt service with respect to such bonds, such annual debt service for any fiscal year being the amount of money equal to the aggregate of (a) all interest payable during such fiscal year on all such bonds outstanding on said date of computation, plus (b) the principal amount of all such bonds outstanding on said date of computation which mature during such fiscal year, plus (c) all amounts specified in any resolution of the authority authorizing any of such bonds as payable during such fiscal year as a sinking fund payment with respect to any of such bonds which mature after such fiscal year, all calculated on the assumption that bonds will after said date of computation cease to be outstanding by reason, but only by reason, of the payment of bonds when due and the payment when due and application in accordance with the resolution authorizing those bonds of all of such sinking fund payments payable at or after said date of computation; and there shall be annually apportioned and paid to the authority for deposit in such capital reserve fund the sums so certified by the chairman of the authority. All sums so apportioned and paid shall be deposited by the authority in such capital reserve fund. The principal amount of bonds secured by such capital reserve fund to which state funds are apportionable pursuant to this subdivision shall be limited to the total amount of bonds and notes outstanding on the effective date of this act, plus the total amount of bonds and notes contracted after the effective date of this act to finance projects in progress on the effective date of this act as determined by the New York state public authorities control board created pursuant to section fifty of this chapter whose affirmative determination shall be conclusive as to all matters of law and fact solely for the purposes of the limitations contained in this subdivision, but in no event shall the total amount of bonds so secured by such a capital reserve fund or funds exceed two hundred million dollars, excluding bonds issued to refund such outstanding bonds until the date of redemption of such outstanding bonds. As outstanding bonds so secured are paid, the amount so secured shall be reduced accordingly but the redemption of such outstanding bonds from the proceeds of refunding bonds shall not reduce the amount so secured.

4. All amounts paid over to the authority by the state pursuant to the provisions of this section shall constitute and be accounted for as advances by the state to the authority and, subject only to the rights of the holders of any bonds or notes of the authority theretofore or thereafter issued, shall be repaid to the state from all available operating revenues of the authority in excess of the capital reserve fund requirement and operating expenses.

5. As used in this section,

(a) the term "operating expenses" for the fiscal year shall mean ordinary expenditures for operation and administration of the authority; and

(b) the term "available operating revenues" for the fiscal year shall mean all amounts received on account of rentals and fees charged by the authority, if any, and income or interest earned or added to funds of the authority due to the investment thereof, and not required under the terms or provisions of any covenant or agreement with holders of any bonds or notes of the authority to be applied to any purposes other than payment of expenses of the authority.

6. This section is applicable only to the Battery Park project area capital reserve fund.

NY CLS Pub A § 1977-c

§ 1977-c. Reserve funds and appropriations for loans, advances and mortgage financing to housing companies

1. Definitions.

(a) "Revenues". All amounts received on account of fees and other charges imposed by the authority for loans, advances and mortgage loans, if any, and all or any part of the moneys received in payment of loans, advances and mortgage loans and interest thereon, including prepayments.

(b) "Housing loan capital reserve fund requirement". The amount of money, as of any particular date of computation and with reference to outstanding bonds issued by the authority for the purposes of financing loans, advances and mortgage loans to housing companies, equal to the greatest of the respective amounts for the then current or any future fiscal year of the authority, of annual debt service with respect to such bonds.

For purposes of the housing loan capital reserve fund requirement, "annual debt service" shall mean an amount of money equal to the aggregate of:

(i) All interest payable during such fiscal year on all such bonds outstanding on said date of computation; plus,

(ii) The principal amount of all such bonds outstanding on said date of computation which mature during such fiscal year; plus,

(iii) All amounts specified in any resolution of the authority authorizing any of such bonds as payable during such fiscal year as a sinking fund payment with respect to any of such bonds which mature after such fiscal year, such sinking fund payments to be calculated on the assumption that bonds will after said date of computation cease to be outstanding by reason, but only by reason, of the payment of bonds when due and the payment when due and application in accordance with the resolution authorizing those bonds of all of such sinking fund payments payable at or after said date of computation.

(c) "Operating expenses". All ordinary expenditures for operation and administration of the authority in connection with its loans, advances and mortgage loans to housing companies.

(d) "Amortized value". When used with respect to securities purchased at a premium above or a discount below par, the value as of any given date obtained by dividing the total amount of the premium or discount at which such securities were purchased by the number of days remaining to maturity on such securities at the time of such purchase and by multiplying the amount so calculated by the number of days having passed since the date of such purchase; and (a) in the case of securities purchased at a premium, by deducting the product thus obtained from the purchase price, and (b) in the case of securities purchased at a discount, by adding the product thus obtained to the purchase price.

## 2. Reserve funds.

(a) In addition to the setting aside of such other reserves or sinking funds as it shall deem advisable and necessary, and the regulations and disposition thereof, the authority may create and establish one or more capital reserve funds for bonds issued by the authority for the purposes of financing loans, advances and mortgage loans to housing companies.

(b) The authority shall pay into each such fund:

(i) any monies appropriated and made available by the state only for the purposes of such fund;

(ii) any proceeds of the sale of any bonds issued to the extent provided in the resolution of the authority authorizing the issuance of such bonds;

(iii) any moneys directed to be transferred by the authority to such fund; and

(iv) any other moneys made available to the authority only for the purposes of such fund from any other source or sources.

(c) The moneys held in or credited to each such capital reserve fund, except as hereinafter provided, shall be used solely for the payment of the principal of bonds issued to finance loans, advances and mortgage loans to housing companies or of the sinking fund payments with respect to such bonds, the purchase or redemption of such bonds, the payment of interest on such bonds or the payment of any redemption premium required to be paid when any of such bonds are redeemed prior to maturity; provided, however, that moneys in such capital reserve fund shall not be withdrawn therefrom at any time in such amount as would reduce the amount of such fund to less than the amount of the housing loan capital reserve fund requirement therefor, except for the purpose of making with respect to such bonds payment, when due, of principal, interest and the sinking fund payments for the payment of which other moneys of the authority are not available. All income or interest earned by, or increment to, each such capital reserve fund due to the investment thereof may be transferred by the authority to other funds or accounts of the authority to the extent it does not reduce the amount of such capital reserve fund below the housing loan capital reserve fund requirement therefor.

(d) Moneys in such a capital reserve fund not required for immediate use or disbursement may be invested in obligations of the state or the United States of America or obligations the principal of and interest on which are guaranteed by the state or the United States of America or obligations of agencies of the United States of America or obligations which may from time to time be legally purchased by savings banks of the state, as investment of funds belonging to them or in their control. In computing the amount of a capital reserve fund for the purposes of this section, securities in which all or a portion of such fund are invested shall be valued at par if purchased at par or, if purchased at other than par, at their amortized value.

(e) The authority shall not issue any bonds at any time secured by such a capital reserve fund if the amount in the capital reserve fund which will secure such bonds at the time of issuance does not equal or exceed the amount of the housing loan capital reserve fund requirement for such fund unless the authority at the time of issuance of such bonds shall deposit in such fund from the proceeds of such bonds or other sources an amount which together with the amount then in such fund will not be less than the amount of the housing loan capital reserve fund requirement for such fund.

### 3. Preservation of solvency.

(a) In order to assure the continued operation and solvency of the authority for the fulfillment of its corporate purposes, the chairman of the authority shall annually, on or before December first, make and deliver to the governor and director of the budget his certificate stating the sum, if any, required to restore each capital reserve fund to the housing loan capital reserve fund requirement therefor. There shall be annually apportioned and paid to the authority for deposit in each such capital reserve fund the sum so certified by the chairman of the authority as required to restore such capital reserve fund to the housing loan capital reserve fund requirement therefor. All sums so apportioned and paid shall be deposited by the authority in the respective capital reserve funds. The principal amount of bonds secured by a capital reserve fund or funds to which state funds are apportionable pursuant to this paragraph shall be limited to the total amount of bonds and notes outstanding on the effective date of this act, plus the total amount of bonds and notes contracted after the effective date of this act to finance projects in progress on the effective date of this act as determined by the New York state public authorities control board created pursuant to section fifty of this chapter whose affirmative determination shall be conclusive as to all matters of law and fact solely for the purposes of the limitations contained in this paragraph, but in no event shall the total amount of bonds so secured by such a capital reserve fund or funds exceed eighty-five million dollars, excluding bonds issued to refund such outstanding bonds until the date of redemption of such outstanding bonds. As outstanding bonds so secured are paid, the amount so secured shall be reduced accordingly but the redemption of such outstanding bonds from the proceeds of refunding bonds shall not reduce the amount so secured.

(b) All amounts paid over to the authority by the state pursuant to the provisions of this section shall constitute and be accounted for as advances by the state to the authority and, subject only to the rights of the holders of any bonds or notes of the authority theretofore or thereafter issued, shall be repaid to the state from all available revenues of the authority in excess of housing loan capital reserve fund requirements and operating expenses.

4. Applicability. This section is applicable solely to capital reserve funds for bonds issued to finance housing loans, advances and mortgage loans and is not applicable to the Battery Park project area capital reserve fund.

## NY CLS Pub A § 1978

### § 1978. Agreements of the state

The state of New York does pledge to and agree with the holders of the bonds and notes that the state will not limit or alter the rights hereby vested in the authority to acquire, lease, mortgage or dispose of real or personal property or any interest therein or construct, improve, enlarge, operate and maintain the project, to fix, establish and collect the rates, rentals, fees and other charges referred to in this act and to fulfill the terms of any agreements made with the holders of the bonds and notes, or in any way impair the rights and remedies of such bondholders and noteholders until the bonds and notes, together with interest thereon, interest on any unpaid installments of interest, and all costs and expenses in connection with any action or proceeding by or on behalf of the bondholders and noteholders are fully met and discharged.

NY CLS Pub A § 1979

§ 1979. State and city not liable on bonds and notes

The bonds, notes and other obligations of the authority shall not be a debt of the state of New York or of the city, and neither the state nor the city shall be liable thereon, nor shall they be payable out of any funds other than those of the authority.

NY CLS Pub A § 1980

§ 1980. Bonds and notes legal investments for public officers and fiduciaries

The bonds and notes are hereby made securities in which all public officers and bodies of this state and all municipalities and municipal subdivisions, all insurance companies and associations and other persons carrying on an insurance business, all banks, bankers, trust companies, savings banks and savings associations, including savings and loan associations, building and loan associations, investment companies and other persons carrying on a banking business, and all other persons whatsoever, who are now or may hereafter be authorized to invest in bonds or other obligations of the state, may properly and legally invest funds, including capital in their control or belonging to them. The bonds and notes are also hereby made securities which may be deposited with and may be received by all public officers and bodies of this state and all municipalities and municipal subdivisions for any purpose for which the deposit of bonds or other obligations of this state is now or may hereafter be authorized.

NY CLS Pub A § 1981

§ 1981. Exemption from taxes

1. It is hereby determined that the creation of the authority and the carrying out of its corporate purposes is in all respects for the benefit of the people of the state of New York, the county of New York, and the city, and is a public purpose, and the authority shall be regarded as performing a governmental function in the exercise of the powers conferred upon it by this title and shall be required to pay no taxes upon any of the properties acquired by it or under its jurisdiction or control or supervision or upon its activities.

2. All bonds, notes and other obligations issued pursuant to this title, together with the income therefrom, as well as the income and property of the authority, shall be exempt from taxation, except for transfer and estate taxes.

NY CLS Pub A § 1982

§ 1982. Tax contract by the state

The state of New York covenants with the purchasers and with all subsequent holders and transferees of bonds and notes issued by the authority pursuant to this title, in consideration of the acceptance of and payments for the bonds and notes, that the bonds and notes of the authority issued pursuant to this title and the income therefrom, and all moneys, funds and revenues pledged to pay or secure the payment of such bonds and notes, shall at all times be free from taxation except for transfer and estate taxes.

NY CLS Pub A § 1983

§ 1983. Remedies of bondholders

1. In the event that the authority shall default in the payment of principal of or interest on any issue of the bonds after the same shall become due, whether at maturity or upon call for redemption, and such default shall continue for a period of thirty days, or in the event that the authority shall fail or refuse to comply with the provisions of this title, or shall default in any agreement made with the holders of any issue of the bonds, the holders of twenty-five per centum in aggregate principal amount of the bonds of such issue then outstanding, by instrument or instruments filed in the office of the Register of the city of New York in the county of New York and proved or acknowledged in the same manner as a deed to be recorded, may appoint a trustee to represent the holders of such bonds for the purposes herein provided.

2. Such trustee may, and upon written request of the holders of twenty-five per centum in principal amount of such bonds then outstanding shall, in his or its own name

(a) by mandamus or other suit, action or proceeding at law or in equity enforce all rights of the bondholders, including the right to require the authority to collect revenues, rates, rentals, fees and other charges adequate to carry out any agreement as to, or pledge of such revenues, rates, rentals, fees and other charges and to require the authority to carry out any other agreements with the holders of such bonds and to perform its duties under this title;

(b) bring suit upon such bonds;

(c) by action or suit in equity, require the authority to account as if it were the trustee of an express trust for the holders of such bonds;

(d) by action or suit in equity, enjoin any acts or things which may be unlawful or in violation of the rights of the holders of such bonds;

(e) declare all such bonds due and payable, and if all defaults shall be made good then with the consent of the holders of twenty-five per centum of the principal amount of such bonds then outstanding, to annul such declaration and its consequences.

3. The supreme court shall have jurisdiction of any suit, action or proceeding by the trustee on behalf of bondholders.

4. Before declaring the principal of all such bonds due and payable the trustee shall first give thirty days' notice in writing to the authority.

5. Any such trustee whether or not the issue of bonds represented by such trustee be declared due and payable, shall be entitled as of right to the appointment of a receiver of any part or parts of the project the revenues of which are pledged for the security of the bonds of such issue, and such receiver may enter and take possession of such part or parts of such project, and, subject to any pledge or agreement with bondholders, shall take possession of all moneys and other property derived from such part or parts of such project and proceed with any construction thereon or the acquisition of any property, real or personal, in connection therewith which the authority is under obligation to do, and to operate, maintain and reconstruct such part or parts of the project and collect and receive all revenues thereafter arising therefrom, subject to any pledge thereof or agreement with bondholders relating thereto, and perform the public duties and carry out the agreements and obligations of the authority under the direction of the court. In any suit, action or proceeding by the trustee the fees, counsel fees and expenses of the trustee and of the receiver, if any, shall constitute taxable disbursements and all costs and disbursements allowed by the court shall be a first charge on any revenues derived from the project.

6. Such trustees shall in addition to the foregoing have and possess all of the powers necessary or appropriate for the exercise of any functions specifically set forth herein or incident to the general representation of bondholders in the enforcement and protection of their rights.

#### NY CLS Pub A § 1984

##### § 1984. Actions

In any case founded upon tort a notice of claim shall be required as a condition precedent to the commencement of an action or special proceeding against the authority or any officer, appointee or employee thereof, and the provisions of section fifty-e of the general municipal law shall govern the giving of such notice. An action against the authority for wrongful death shall be commenced in accordance with the notice of claim and time limitation provisions of title eleven of article nine of this chapter.

#### NY CLS Pub A § 1985

##### § 1985. Limitation of liability

Neither the members of the authority, nor any person or persons acting in its behalf, while acting within the scope of their authority, shall be subject to any personal liability resulting from the acquisition, construction, improvement, enlargement, operation and maintenance of the project, or any part or parts thereof, or from carrying out any of the powers expressly given in this act.

#### NY CLS Pub A § 1986

##### § 1986. Assistance by state officers, departments, agencies and commissions

(1) The department of audit and control, department of law, the division of housing and community renewal and all other state agencies may render such services to the authority within their respective functions as may be requested by the authority.

(2) Upon request of the authority, any state agency is hereby authorized and empowered to transfer to the authority such officers and employees as it may deem necessary from time to time to assist the authority in carrying out its functions and duties under this title. Officers and employees so transferred shall not lose their civil service status or rights.

#### NY CLS Pub A § 1987

##### § 1987. Separability

If any section, clause or provision of this title shall be held unconstitutional, or be ineffective in whole or in part, to the extent that it is not unconstitutional or ineffective, it shall be valid and effective and no other section, clause or provision shall, on account thereof, be deemed invalid or ineffective.

#### NY CLS Pub A § 1988

##### § 1988. Effect of inconsistent provisions

In so far as the provisions of this title are inconsistent with the provisions of any other act, general or special, the provisions of this title shall be controlling.



## 11. Description of the Authority and its Board Structure

## 11. Description of the Authority and its Board Structure

The Battery Park City Authority (the “Authority”), a public benefit corporation, was established in 1969 to create, develop and maintain a balanced community of commercial, residential, retail, and park space within its designated 92-acre site located in the southwestern tip of Manhattan.

### 11.1 Committees and Committee Members

The Authority has a seven member board who members serve without compensation although, as currently constituted, there are only five members. During 2016, the board members were: Dennis Mehiel, Donald A. Capoccia, Jr., Hector Batista, Martha J. Gallo, and Lester Petracca. The board has three committees: Investment Committee, Governance Committee and Audit & Finance Committee. The members of each committee are:

**Investment Committee:**

Lester Petracca, Chair  
 Martha J. Gallo  
*Vacancy*  
 Chairman Dennis Mehiel, Ex-officio

**Governance Committee:**

Donald A. Capoccia, Chair  
 Lester Petracca  
*Vacancy*  
 Chairman Dennis Mehiel, Ex-officio

**Audit and Finance Committee:**

Martha J. Gallo, Chair  
 Donald A. Capoccia  
*Vacancy*  
 Chairman Dennis Mehiel, Ex-officio

### 11.2 Board Meetings and Attendance

\*Indicates a meeting of the Directors of the Battery Park City Parks Conservancy (“BPCPC”)

**December 4, 2015\***

**Members Present**

Dennis Mehiel, Chairman/CEO  
 Hector Batista, Member  
 Donald A. Capoccia, Jr., Member  
 Lester Petracca, Member

**January 27, 2016**

Members Present

Dennis Mehiel, Chairman/CEO  
Hector Batista, Member  
Donald A. Capoccia, Jr., Member  
Martha Gallo, Member  
Lester Petracca, Member

**April 13, 2016\***

Members Present

Dennis Mehiel, Chairman/CEO  
Hector Batista, Member  
Donald A. Capoccia, Jr., Member  
Lester Petracca, Member

**June 8, 2016**

Members Present

Dennis Mehiel, Chairman/CEO  
Martha Gallo, Member  
Donald A. Capoccia, Jr., Member  
Lester Petracca, Member

**July 20, 2016\***

Members Present

Dennis Mehiel, Chairman/CEO  
Martha Gallo, Member  
Donald A. Capoccia, Jr., Member  
Lester Petracca, Member

**September 20, 2016\***

Members Present

Dennis Mehiel, Chairman/CEO  
Hector Batista, Member  
Donald A. Capoccia, Jr., Member  
Martha Gallo, Member  
Lester Petracca, Member

**October 19, 2016**

### Members Present

Dennis Mehiel, Chairman/CEO  
Hector Batista, Member  
Donald A. Capoccia, Jr., Member  
Martha Gallo, Member  
Lester Petracca, Member

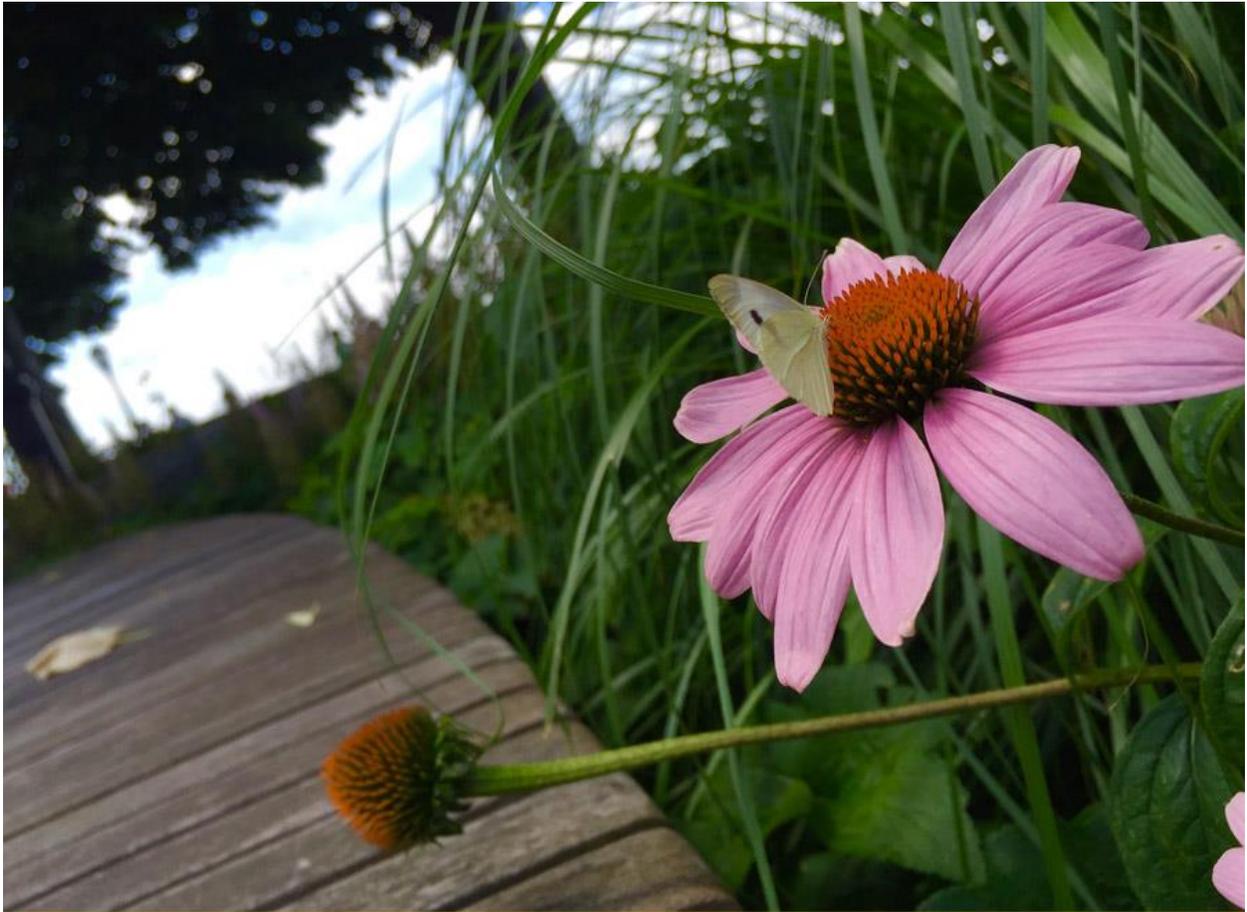
## 11.3 Description of Major Units and Number of Employees

The Authority has 125 full-time employees and 43 part-time employees. Major units include:

- **Administration:** The Administration Department serves the Authority through its ongoing efforts to efficiently organize people, processes, and resources to best establish effective, economical, and reliable systems that help ensure the Authority's integrity and mission. To that end, the Authority maintains administrative programs in procurement, internal control, risk assessment, diversity, information technology, general administrative services, and other administrative concerns.
- **Finance:** The Finance Department oversees the financial functions of the Authority and BPCPC. In general, it is responsible for the investing and safe-guarding of corporate assets, the collection of ground rents and payments in lieu of taxes (PILOT), civic facility maintenance fees (CFM) and other revenues, maintaining the Authority's debt structure by issuing bonds and paying debt service, processing payments for capital and operating expenditures in compliance with procurement guidelines and budgetary authorizations, creating and monitoring the fiscal year operating budget, processing payroll, managing investments and cash flow management, preparing the Authority's financial statements, and all required financial reporting due to federal and state requirements. In addition, the Finance Department coordinates with respect to reporting on the "Organization" (which is the consolidated financial statements of the Authority and BPCPC).
- **Human Resources:** The Human Resources Department provides the leadership, service, expertise, policies and standards necessary to support the Organization as an employer. The Human Resources Department provides numerous services to all employees in support of the Authority's mission, providing support and guidance in areas such as benefits, compensation, recruitment, employee relations, and staff development. The Human Resources Department maintains necessary processes and procedures required by the Authority's employment-related policies.
- **Legal:** The Legal Department provides legal services to all of the Organization's departments and offices. Responsibilities include corporate governance, litigation, employment concerns, contract matters, regulatory and compliance matters, debt issuance, and coordination of Board meetings and related Member concerns. The

General Counsel serves as the Corporate Secretary to the Board.

- **Real Property Department:** The Real Property Department is responsible for the safeguarding, optimization and value enhancement of the Authority's real property assets for the benefit of the Authority, the community, New York City and the State of New York. This responsibility constitutes a primary element of the Authority's overall purpose and mission. Management of the department includes policy development along with practical responsibility for management, maintenance, improvement, enhancement and security of the Authority's real property assets and oversight of all related operational and support processes.
- **Parks Operations:** Parks Operations, consisting of the Horticulture, Maintenance and Programming Departments, manages and maintains the nearly 36 acres of world-class parks and open space in Battery Park City. The Horticulture Department cares for the gardens, planting beds, and trees within the parks; the Maintenance Department provides in-house electrical, plumbing, masonry, and general maintenance services; and the Programming Department plans and organizes a wide variety of entertainment and educational programs throughout the year. Parks Operations observes and implements sustainable (green) initiatives and practices.
- **Battery Park City Parks Conservancy Corporation:** BPCPC, a subsidiary of the Authority, is a 501(c)(3) not-for-profit corporation created in 1987. BPCPC is engaged in work relating to the operation of the parks and open space in Battery Park City.



## 12. Charter and By-Laws

## 12. Charter and By-Laws

BYLAWS  
OF THE  
BATTERY PARK CITY AUTHORITY  
(as amended through July 29, 2015)

### ARTICLE I - THE AUTHORITY

Section 1. Description. The Battery Park City Authority (“Authority”) is a body corporate and politic of the State of New York, constituting a public benefit corporation, created by and having the powers and functions set forth in the Battery Park City Authority Act as amended (the “Act”).

Section 2. Seal of Authority. The seal of the Authority shall be in the form of seal mandated by the State of New York and shall bear the name of the Authority.

Section 3. Office of the Authority. The office of the Authority shall be located at One World Financial Center, (200 Liberty Street), in the City of New York, State of New York, or at such other location as the Members of the Authority may determine. The Authority may have offices at such other place or places within The City of New York as it may from time to time designate by resolution.

### ARTICLE II – MEMBERS AND OFFICERS

Section 1. Members. The affairs of the Authority shall be managed by the Members, who shall be appointed and shall serve as provided in the Act. Members shall serve without salary or other compensation.

Section 2. Officers. The officers of the Authority shall be a Member who shall serve as Chair; a Member who shall serve as Vice Chair; a Chief Executive Officer; a President; a General Counsel; a Chief Operating Officer; a Treasurer/Chief Financial Officer; one or more Vice Presidents; a Controller; a Corporate Secretary and Assistant Corporate Secretaries and such other officers as may be designated by resolution of the Authority; and any officer may hold more than one of these offices.

Section 3. Chair. The Chair of the Authority (hereinafter referred to as “Chair”) shall be elected from among the Members of the Authority and shall hold office until his/her successor is elected and qualified. The Chair shall have primary responsibility for overseeing the development, management and implementation of corporate strategy, policies and procedures that facilitate achievement of the Authority’s mission. In keeping with this responsibility, the Chair shall preside at all meetings of the Members of the Authority and shall have such other duties as the Members may direct. Nothing herein shall prevent the Chair from concurrently serving as an officer of the Authority, in a position to which he is appointed by the Members.

Section 4. Vice Chair. The Vice Chair of the Authority shall be elected from among the Members of the Authority at each annual meeting of the Authority, and shall hold office until his/her successor is elected and qualified. Upon written designation of the Chair from time to time and for the period specified in any such designation, the Vice Chair of the Authority shall serve as acting Chair. In the absence of the Chair from a meeting of the Members of the Authority the Vice Chair shall preside thereat. The Vice Chair shall have such other duties as the Members may direct.

Section 5. Chief Executive Officer. The Chief Executive Officer, who shall serve as the chief executive of the Authority, shall be elected by the Members of the Authority and shall hold office until his/her successor is elected and qualified.

Section 6. President. The President of the Authority shall be elected by the Members of the Authority. The President shall have general responsibility for the day-to-day administration and management of the Authority, within the framework established by federal, state and local laws and in accordance with the rules and policies adopted by the Members of the Authority, including the initiation, planning and carrying out of the projects, programs and other activities of the Authority. The President shall have the power to delegate authority and assign duties to employees of the Authority, and shall have the power to requisition monies of the Authority, and to sign vouchers, requisitions and other instruments made by the Authority. The President shall have such other powers and duties pertaining to his/her office as are prescribed by law or in these Bylaws or as may be assigned to him/her from time to time by the Authority. Nothing herein shall prevent the President from concurrently serving in another office of the Authority, to which he/she is elected by the Members.

Section 7. Chief Operating Officer. The Chief Operating Officer, under the direction of the President, shall perform all the duties incident to his/her position and office and such other

duties as shall from time to time be assigned to him/her by the President. The Chief Operating Officer is authorized to request monies of the Authority, and to sign vouchers, requisitions and other instruments made by the Authority. Nothing herein shall prevent the Chief Operating Officer from concurrently serving in another office of the Authority, to which he/she is elected by the Members.

Section 8. General Counsel. The General Counsel, under the direction of the President, shall perform all the duties incident to his/her position and office and such other duties as shall from time to time be assigned to him/her by the President. The General Counsel is authorized to requisition monies of the Authority, and to sign vouchers, requisitions and other instruments made by the Authority. The performance of any such duty by the General Counsel shall be conclusive evidence of the power to act.

Section 9. Treasurer/Chief Financial Officer; Controller. The Treasurer/Chief Financial Officer, under the direction of the President, shall be the chief fiscal officer of the Authority. He/She shall be in charge of the books and accounts of the Authority and have supervision of the accounting procedures and fiscal operations of the Authority and shall perform such other duties of his/her office and position as shall from time to time be assigned to him/her by the President. The Controller, under the direction of the Treasurer/Chief Financial Officer, shall perform all the duties incident to his/her position and office and such other duties as shall from time to time be assigned to him/her by the Treasurer/Chief Financial Officer.

Section 10. Other Officers. The Officers of the Corporation other than the designated herein, as may be designated from time to time by resolution of the Authority, shall perform all the duties incident to their respective positions and offices and such other duties as shall from time to time be assigned to them by the Members.

Section 11. Appointment and Removal. The President of the Authority shall be appointed by the Members, and may be removed, either with or without cause, at any time by action of the Members. The President shall appoint and remove, either with or without cause, all other officers of the Authority, except for the General Counsel, the Chief Operating Officer, and the Treasurer/Chief Financial Officer, all of whom shall be appointed and removed, either with or without cause, by the President, in consultation with the Members. The Chair may be removed, either with or without cause, as an officer of the Authority at any time from such office by vote of the other Members, but may be removed as a Member only by the Governor in accordance with the Act. The President may be removed, either with or without cause, at any time by action of the

Members. Any person appointed as an officer of the Authority shall have such term as may be fixed.

### ARTICLE III - MEETINGS

Section 1. Annual Meeting. The annual meeting of the Authority shall be held on the first day of November of each year at a place and time designated by the Chair or such later day in each calendar year as the Chair may determine.

Section 2. Meetings. The Chair may, when he/she deems it expedient, and shall upon the request of any Member of the Authority or the President, call a meeting of the Authority. At any such meeting any and all matters may be considered and acted upon by the Members of the Authority present, whether or not such matters were specified in the call. Meetings shall be held in facilities that permit barrier-free physical access to the physically handicapped, as defined in subdivision five of section fifty of the public buildings law. The call for a meeting specifying the time and place of the meeting shall be delivered in person or mailed to the business or home address of each Member of the Authority at least three days prior to the date of such special meeting. If the office of the Chair is vacant or if the Chair is unable to perform such duties by reason of illness, disability or absence and has not designated in writing the Vice Chair to perform such duties at such time, any Member may call a meeting of the Authority. Public notice of the time and place of a meeting scheduled at least one week prior thereto shall be given to the news media and shall be conspicuously posted in one or more designated public locations at least seventy-two hours before such meeting, and on the Authority's website prior to a meeting. Such public notice shall provide that videoconferencing shall be used, if applicable. Public notice of the time and place of every other meeting shall be given, to the extent practicable, to the news media and shall be conspicuously posted in one or more designated public locations at a reasonable time prior thereto. Notice of any meeting of the Authority need not be given to a Member if waived in writing by him/her either before or after such meeting, or if he/she shall be present at such meeting. No notice need be given of any meeting if all the Members then in office shall be present thereat. Notice of an adjourned meeting need not be given to any Member present at the time of the adjournment. The President shall be given notice of and be permitted to attend all meetings of the Authority.

Section 3. Quorum. At all meetings of the Authority, a majority of the whole number of the Members shall constitute a quorum and not less than a majority of the whole number of

Members may perform and exercise the powers authorized and provided in the Public Authorities Law of the State of New York. For the purposes of this Section, the words “whole number” shall be construed to mean the total number of Members which the Authority would have were there no vacancies and were none of the Members disqualified from voting.

Section 4. Order of Business. At the regular meetings of the Authority the Chair shall determine the order of business.

Section 5. Resolutions. All resolutions adopted by the Members shall be recorded in or attached to a journal of the proceedings of the Authority.

Section 6. Manner of Voting. The voting on all questions of the meetings of the Authority shall be by roll call if requested by two of the Members, and wherever a resolution has been unanimously adopted it may be recorded as such. The yeas and nays shall be entered upon the minutes of such meeting only in the event of an abstention or a negative vote by any Member; except that the election of officers may be by majority vote without the necessity of recording the individual votes upon the minutes.

Section 7. Participation in Meeting by Videoconference. Notwithstanding anything elsewhere contained in these Bylaws, any one or more Members of the Authority may participate in a meeting of the Members by means of videoconferencing equipment allowing all persons participating in the meeting to see and hear each other at the same time. Participation by such means shall constitute presence in person at a meeting of the Members. In the event any Member is present at a meeting of the Members by means of conference telephone, such Member may not speak, vote or otherwise participate in the meeting, and his or her presence shall not constitute presence in person at a meeting of the Members for quorum purposes.

Section 8. Certification of Resolutions. The Corporate Secretary or any Assistant Corporate Secretary is authorized to certify, when required, the records, proceedings, documents or resolutions of the Members and to affix the seal of the Authority to all contracts, documents and instruments to be executed by the Authority.

#### ARTICLE IV – COMMITTEES

Section 1. Audit and Finance Committee. There shall be an audit and finance committee which shall consist of three Members designated by the Chair, one of whom the Chair shall appoint as chair of the committee. The Chair shall be an additional non-voting member of

the committee, provided that if there shall be any vacancy or vacancies in the whole number of the Members as prescribed by law, the Chair may serve as a voting member of the committee. Each member of the committee shall be an “independent member,” as defined in Public Authorities Law § 2825 (2). Members of the committee shall possess the necessary skills to understand the duties and functions of the committee and shall be familiar with corporate financial and accounting practices. The duties and responsibilities of the committee shall be to: (a) recommend to the Board the hiring of a certified independent accounting firm for the Authority; (b) establish the compensation to be paid to such firm; (c) provide direct oversight of the performance of the independent audit performed by the accounting firm hired for such purposes and (d) review proposals for the issuance of debt by the authority and to make recommendations.

Section 2. Governance Committee. There shall be a governance committee which shall consist of three Members designated by the Chair, one of whom the Chair shall appoint as chair of the committee. The Chair shall be an additional non-voting member of the committee, provided that if there shall be any vacancy or vacancies in the whole number of the Members as prescribed by law, the Chair may serve as a voting member of the committee. Each member of the committee shall be an “independent member,” as defined in Public Authorities Law § 2825 (2). Members of the committee shall possess the necessary skills to understand the duties and functions of the committee. The duties and responsibilities of the Committee shall be to: (a) keep the board informed of current best governance practices; (b) review corporate governance trends; (c) recommend updates to the Authority’s corporate governance principles; (d) advise appointing authorities on the skills and experiences required of potential board members; (e) examine ethical and conflict of interest issues; (f) perform board self-evaluations; and (g) recommend bylaws which include rules and procedures for conduct of board business. In addition, the Committee shall perform compensation-related duties and responsibilities, such as (a) considering policies regarding the payment of salaries, compensation and reimbursement of expenses for the chief executive and management; and (b) making such other recommendations regarding compensation as the Committee may deem appropriate.

Section 3. Investment Committee. There shall be an investment committee which shall consist of three Members designated by the Chair, one of whom the Chair shall appoint as chair of the committee. The Chair shall be an additional non-voting member of the committee, provided that if there shall be any vacancy or vacancies in the whole number of the Members as prescribed by law, the Chair may serve as a voting member of the committee. Each member of

the committee shall be an “independent member” as defined in Public Authorities Law § 2825(2). Members of the committee shall possess the necessary skills to understand the duties and functions of the committee and shall be familiar with general investment policies and best practices. The duties and responsibilities of the Committee shall be to (a) approve the investment and risk limits for the investment portfolio; (b) review the investment policies for the Authority; (c) approve the annual investment program; (d) authorize investments and ratify investments made pursuant to delegated authorities; (e) review the investment performance of the Authority’s accounts and funds; (f) review the organization and staffing of the investment management advisory function; and (g) review the quality of the investment services provided to the Authority.

Section 4. Additional Committees. The Members shall have the authority to establish, by resolution, any additional committees or subcommittees it determines are necessary connection with the discharge of its oversight functions.

#### ARTICLE V - FISCAL YEAR

The fiscal year of the Authority shall commence November 1 of each calendar year and conclude October 31 of the following calendar year.

#### ARTICLE VI - INDEMNIFICATION

Section I. Purpose and Definitions. The purpose of this Article is to provide for and regulate indemnification of Members, officers and employees of the Authority. In this Article, the following terms shall have the meanings indicated below, except where the context clearly requires otherwise.

(1) “action or proceeding” means any civil action or other civil judicial proceeding, any proceeding by or before an administrative agency or official investigatory body, any appeal from or judicial review of actions taken in any of the foregoing proceedings, and includes any such proceeding which is threatened, but does not include any criminal action or proceeding;

(2) “party to an action or proceeding” means a person made, or threatened to be made, a defendant or respondent or otherwise a party in any action or proceeding, and includes a person called upon, voluntarily or by subpoena, to give testimony, produce documents or respond to interrogatories in connection with an action or proceeding;

(3) “Member” means each Member of the Authority appointed or serving ex officio;

(4) “officer” means the Chair, the Vice Chair, the President, the Chief Executive Officer of the Authority and each person who has held or who holds from time to time any office so designated by the Authority for the purpose of this article;

(5) “employee” means each employee of the Authority who is not also a Member or officer;

(6) “subsidiary or affiliate” includes each subsidiary or affiliate of the Authority;

(7) “Member”, “officer” and “employee” of the Authority each includes persons who formerly served in such capacity and the estates of deceased persons who had served in such capacity; and each such term includes persons serving or who formerly served ex officio or by designation of the Authority as a director, officer or employee of any subsidiary or affiliate of the Authority, and the estates of deceased persons who had served in such capacity, provided that insofar as this Article distinguishes between Members or officers of the Authority, on the one hand, and employees, on the other, the status with respect to indemnification of a person who served in any capacity with a subsidiary or affiliate and who concurrently was a Member or officer of the Authority shall be that of a Member or officer, and the status of all other such persons shall be that of an employee of the Authority; and

(8) “applicable standard of conduct” means:

(i) with respect to an action or proceeding in which it is alleged that physical harm was caused to the person or property of a complainant or any harm was caused to his/her reputation, that such harm did not result from the willful and wrongful act or gross negligence of the Member, officer or employee seeking to be indemnified hereunder, or

(ii) with respect to any other action or proceeding, that the Member, officer or employee seeking to be indemnified hereunder acted in good faith for a purpose which he/she reasonably believed to be in the best interests of the Authority and had reasonable cause to believe his/her conduct was lawful.

Section 2. General Scope of Indemnification. The Authority shall, to the fullest extent permitted by law, indemnify any person who becomes a party to an action or proceeding by reason of the fact that he/she is or was a Member, officer or employee of the Authority against

judgments, penalties, amounts paid in settlement and reasonable expenses, including attorneys' fees, actually and necessarily incurred as a result thereof, unless the conduct of such Member, officer or employee in the matters at issue in such action or proceeding is found, in the manner prescribed in this Article, not to have met the applicable standard of conduct.

Section 3. Representation of Persons Indemnified. The Authority may, either by its own staff counsel or by outside counsel of its choice, assume the representation of any person who becomes a party to the action or proceeding, except in situations in which (i) choice of counsel is governed by statute, or (ii) the Authority's counsel determines that it is inappropriate or inadvisable for such person to be represented by counsel chosen by the Authority. In the event the Authority does not assume such representation, such person shall have the right to engage private counsel of his choice and the Authority shall have the obligation of indemnification for the reasonable fees and expenses of such private counsel as provided in this Article; provided, however, that the Authority as a condition to such indemnification for the cost of private counsel may, and where the Attorney General has so required as a condition to indemnification by the State of New York pursuant to statute shall, require appropriate groups of persons to be represented by the same counsel; and further provided, however, that the Authority as a condition to such indemnification shall: 1) review and approve the terms of such engagement of private counsel to determine reasonableness of such fees and expenses; and 2) require such persons to execute an agreement in writing that any sums advanced under this Article 6 shall be repaid if the person receiving such advances is ultimately found not to be entitled to indemnification, or to the extent the expenses so advanced by the Authority exceed the indemnification to which he/she is ultimately found to be entitled.

Section 4. Advances of Expenses. (a) A Member or officer who becomes a party to an action or proceeding may request that the Members authorize the Authority to advance expenses pending the final disposition of such action or proceeding. Upon such request: (i) if there is a quorum of Members who are not parties to such action or proceeding, the Members shall make a tentative finding as to whether it then appears that the requesting Member or officer has met the applicable standard of conduct; or (ii) if such a quorum of Members is not obtainable with due diligence, the Members shall obtain an opinion in writing of outside legal counsel as to whether it then appears that such standard of conduct has been met by the requesting Member or officer. If a quorum of Members makes such findings or outside legal counsel gives such opinion, the Members shall authorize the Authority to pay, and the Authority shall pay, from time to time in advance of the final disposition of the action or proceeding, reasonable expenses as

described in Section 2 incurred by such Member or officer in connection with such action or proceeding. The amounts of payments made to counsel engaged by the Authority and private counsel engaged to represent Members and officers indemnified under this Article shall be periodically reported to the Members by the Executive Vice President/General Counsel.

(b) Reasonable expenses as described in Section 2 incurred by an employee who becomes a party to an action or proceeding shall be paid by the Authority from time to time pending the final disposition of such action or proceeding without necessity for any authorization, findings, or other action by the Members prior to the making of such advances; provided, however, that the Members (i) may make a tentative finding at any time prior to the final disposition of such action or proceeding that it then appears that an employee has clearly not met the applicable standard of conduct, or may seek an opinion in writing of outside legal counsel with respect to that issue, and if such a tentative finding shall be made or a negative opinion on that issue shall be given, no further advances under this paragraph shall be made with respect to expenses of such employee, and (ii) may determine, or provide for the determination of, the reasonableness of expenses sought to be advanced. The amounts of payments made to counsel engaged by the Authority and private counsel engaged to represent employees indemnified under this Article shall be periodically reported to the Members by the Executive Vice President/General Counsel.

Section 5. Indemnification on Final Disposition. (a) A person who has been wholly successful, on the merits or otherwise, in the defense of an action or proceeding shall be deemed to have met the applicable standard of conduct and shall be entitled to indemnification against reasonable expenses as described in Section 2, and the Authority shall make such indemnification without necessity for any authorization, findings or other action by the Members prior to such indemnification, except that the Members may determine, or provide for the determination of, the reasonableness of such expenses.

(b) A Member or officer who has not been wholly successful in the defense of an action or proceeding, or who was a party to an action or proceeding without being a defendant or respondent therein, may request indemnification from the Authority. Upon such request: (i) if there is a quorum of Members who are not and were not parties to such action or proceeding, the Members shall make a finding as to whether the requesting Member or officer has met the applicable standard of conduct; or (ii) if such a quorum of Members is not obtainable with due diligence, the Members shall obtain an opinion in writing of outside legal counsel as to whether such standard of conduct has been met by the requesting Member or officer. If a quorum of

Members makes such finding or outside legal counsel gives such opinion, the Members shall authorize, and the Authority shall make, indemnification as provided in Section 2, upon a determination by the Members (or a person or body designated by the Members) that expenses sought to be indemnified were reasonable and actually and necessarily incurred as a result of the action or proceeding, and that any amounts paid in settlement (unless approved by the Members prior to such settlement) were reasonable in the circumstances.

(c) An employee who has not been wholly successful in the defense of an action or proceeding, or who was a party to an action or proceeding without being a defendant or respondent therein, may request indemnification from the Authority. Upon such request: The President shall notify the Members in writing of such request and of the particulars submitted by such employee in support of it, and the President may submit to the Members any further information or comments he thinks appropriate. Within two weeks after the next meeting of the Members following such submission, the Authority shall make indemnification as provided in Section 2, unless the Members shall have found that such employee has not met the applicable standard of conduct, or shall have decided to seek an opinion in writing of outside counsel with respect to that issue (in which event indemnification shall be made within six weeks after such meeting unless a negative opinion on that issue shall have been given), or unless and to the extent that the Members (or a person or body designated by the Members) shall have determined that expenses sought to be indemnified were not reasonable or not actually and necessarily incurred as a result of the action or proceeding, or that amounts paid in settlement (unless approved by the Members prior to such settlement) were not reasonable in the circumstances.

Section 6. Insurance. The Authority may, to the fullest extent permitted by law, purchase and maintain insurance on behalf of any Member, officer or employee of the Authority to indemnify such person in instances in which he/she has the right of indemnification by the Authority under the provisions of this Article.

Section 7. Applicability of this Article. (a) The provisions of this Article shall inure only to Members, officers and employees of the Authority, as defined herein, shall not enlarge or diminish the rights of any other party to an action or proceeding, and shall not impair, limit or modify the rights and obligations of any insurer under any policy of insurance. This Article is to be construed liberally in favor of each Member, officer or employee, to the fullest extent permitted by law, and any ambiguity, uncertainty or reasonable doubt as to facts, interpretation or legal conclusions shall be resolved in favor of such Member, officer or employee.

(b) The provisions of this Article shall be in addition to and shall not supplant any indemnification by the State heretofore or hereafter conferred upon any Member, officer or employee by any statute, by Section 18 of the Public Officers Law, or otherwise; provided, however, that the Authority recognizes that its obligation to provide indemnification in accordance with this Article is primary and any obligation of the State to provide indemnification is secondary, in circumstances where both may be applicable.

(c) This Article shall be applicable, to the fullest extent permitted by law, to any claim for indemnification made after its adoption as a bylaw of the Authority, whether the action or proceeding to which such claim relates commenced, or the matters at issue therein occurred, before or after the adoption of this Article. It is contemplated that no subsequent amendment, supplement or repeal of this Article which deprives a Member, officer or employee of any substantial right or benefit conferred herein will be made applicable with respect to any claim for indemnification arising out of conduct of such Member, officer or employee occurring or alleged to have occurred after the adoption of this Article and prior to such amendment, supplement or repeal.

(d) Unless and until this Article shall be amended, supplemented or repealed in accordance with Article VII, the provisions of this Article shall constitute a contract between the Authority and each Member, officer or employee for indemnification in accordance with the provisions of this Article. In the event that any Member, officer or employee shall be aggrieved by a determination of the Authority or the Members or outside counsel made under this Article, or by a failure of the Authority or the Members to act as provided herein, he/she shall be entitled to seek appropriate relief against the Authority in any court of competent jurisdiction within the State of New York in accordance with the standards for indemnification set forth herein.

#### ARTICLE VII- AMENDMENTS

These Bylaws may be amended, supplemented or repealed by resolution duly adopted by a majority vote of all the Members of the Authority at any meeting, provided that written notice of the proposed amendment, supplement or repeal shall have been presented for discussion at the meeting immediately preceding the meeting at which the proposed amendment, supplement or repeal is considered.



## 13. Material Changes in Operations



### **13. Material Changes in Operations**

In order to streamline operations and best meet the needs of the Battery Park City community while continuing to support the Authority's mission of maximizing the excess revenues generated to support affordable housing in New York City, the Authority absorbed the employees of its subsidiary, the Battery Park City Parks Conservancy, onto its payroll as of November 1, 2015. As a result of this consolidation, the Authority believes that it will more efficiently manage the parks and open spaces in Battery Park City ("Parks") and enhance Parks programming activity.



## 14. Four Year Financial Plan



## 14. Four Year Financial Plan

<b>BATTERY PARK CITY AUTHORITY: OPERATING &amp; CAPITAL BUDGET SUMMARY*</b>					
For the Fiscal Years Ending October 31, 2016 thru 2020					
(in 000s)					
	Estimated FY 2016	Proposed FY 2017	Proposed FY 2018	Proposed FY 2019	Proposed FY 2020
<b>OPERATING BUDGET</b>					
<b>Operating Revenues</b>					
Sublease rentals	\$263,504	\$266,412	\$287,119	\$298,651	\$309,322
Non Recurring/Contingent Lease Payments	4,708	-	-	-	-
	<u>\$268,212</u>	<u>\$266,412</u>	<u>\$287,119</u>	<u>\$298,651</u>	<u>\$309,322</u>
<b>Non-Operating Revenues</b>					
Investment Earnings					
SWAP payments received (65% of LIBOR)/BABs Subsidy)	2,114	1,900	1,650	1,650	1,650
Interest earned	2,115	1,600	1,500	1,500	1,500
	<u>4,229</u>	<u>3,500</u>	<u>3,150</u>	<u>3,150</u>	<u>3,150</u>
Total Receipts:	<u>\$272,441</u>	<u>\$269,912</u>	<u>\$290,269</u>	<u>\$301,801</u>	<u>\$312,472</u>
<b>EXPENDITURES</b>					
<b>Operating Expenditures</b>					
Total operating expenses *	\$25,576	\$27,849	\$28,406	\$28,974	\$29,554
Other non-operating expenditures (NYS Cost Recovery Fee)	6,856	8,127	8,290	8,455	8,624
	<u>\$32,432</u>	<u>\$35,976</u>	<u>\$36,696</u>	<u>\$37,429</u>	<u>\$38,178</u>
<b>Non-Operating Expenditures</b>					
<b>Interest and Other Financing Charges</b>					
Debt service on restructured debt	63,000	64,000	67,000	68,000	68,000
Total Debt Service:	<u>\$63,000</u>	<u>\$64,000</u>	<u>\$67,000</u>	<u>\$68,000</u>	<u>\$68,000</u>
Total Expenditures:	<u>\$95,432</u>	<u>\$99,976</u>	<u>\$103,696</u>	<u>\$105,429</u>	<u>\$106,178</u>
<b>Excess Funds Subject to Settlement Agreement:</b>	<b><u>\$177,009</u></b>	<b><u>\$169,936</u></b>	<b><u>\$186,573</u></b>	<b><u>\$196,372</u></b>	<b><u>\$206,294</u></b>
<b>CAPITAL BUDGET</b>					
Proceeds from Debt Issuance (beginning of yr balance)	74,058	63,154	9,496	74,496	59,496
Capital expenditures	10,904	53,658	15,000	15,000	15,000
Proceeds from Debt Issuance	-	-	80,000	-	-
Capital funds remaining	<u>\$63,154</u>	<u>\$9,496</u>	<u>\$74,496</u>	<u>\$59,496</u>	<u>\$44,496</u>
*Budget summaries include all costs for Battery Park City Parks Conservancy					
<b>NOTE</b> - The approved Fiscal Year 2017 Budget and Projections for Fiscal Years 2018 to 2020 are subject to change based on several factors many of which are not within BPCA's management control. Such factors include: the NYC real estate tax policy, additional bond proceeds required to finance infrastructure, and market conditions effecting cost of capital.					



## 15. Board Performance Evaluations



## 15. Board Performance Evaluations\*

Battery Park City Authority Board Self-Evaluation for Calendar Year 2016		2016 Results				
		Rating				
		Low-----High				
		1	2	3	4	5
	<b>I. Organization's Mission and Purpose</b>					
<b>A.</b>	You are familiar with the Battery Park City Authority mission and statutory responsibilities?				1	4
<b>B.</b>	All Board Members are familiar with the current purpose of the Authority?				2	3
<b>C.</b>	The current mission statement is appropriate for the organization's role for the next three to five years?				2	3
<b>D.</b>	The policies, practices and decisions of the Board are always consistent with this mission?			1	1	3
<b>E.</b>	Board Members comprehend their role and fiduciary responsibilities and hold themselves and each other to these principles?				1	4
<b>F.</b>	You are knowledgeable about the existing partnerships that the Authority has?			1	1	3
<b>G.</b>	You are familiar with the Parks Conservancy mission?				2	3
<b>H.</b>	You are familiar with the Parks Conservancy programs?				4	1

		Low-----High				
		1	2	3	4	5
<b>II. Strategic Planning</b>						
<b>A.</b>	All Board Members have input in the strategic planning process?			1	1	2
<b>B.</b>	The Board currently has a strategic vision of how the organization should be evolving over the next one, three, and five years?		1		2	1
<b>C.</b>	The Board periodically engages in a strategic planning process that helps it to consider how the organization should meet new opportunities and challenges?		2		1	1

		Low-----High				
		1	2	3	4	5
<b>III. Fiscal Oversight/Sound Risk Management</b>						
<b>A.</b>	The Board ensures that the budget reflects the priorities established in the strategic plan?			1	1	2
<b>B.</b>	The Board ensures that the annual report reflects the priorities established in the strategic plan?			2		2
<b>C.</b>	The Board has time to review the annual report?			2	2	1
<b>D.</b>	The Board receives financial reports on a regular basis?			1	1	3
<b>E.</b>	Financial reports are understandable, accurate and timely?			1	1	3
<b>F.</b>	The Board considers all recommendations made in the annual independent auditor's report and management letter?				2	3



<b>G.</b>	The Board periodically reviews the effectiveness of the auditing firm?				1	4
<b>H.</b>	The Board has established appropriate investment policies?				1	4
<b>I.</b>	The Board annually reviews and understands BPCA's investment portfolio?				1	4
<b>J.</b>	The Board periodically reviews the adequacy of insurance carried by the Authority?			1	2	2
<b>K.</b>	The Board provides adequate oversight of the contracting processes and procedures?				1	4
<b>L.</b>	The Board has enough knowledge about current litigation matters?				1	4

		<b>Low-----High</b>				
		<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
<b>IV. Relationship between the Board and Staff</b>						
<b>A.</b>	The roles of the Board Members are clearly defined and understood?				1	4
<b>B.</b>	The roles of the staff are clearly defined and understood?				1	4
<b>C.</b>	Mutual responsibilities of Board Committees are clearly understood?				1	4
<b>D.</b>	The responsibilities of staff assigned to assist the Board Committees are clearly understood?				2	2
<b>E.</b>	Current Board Committee structure and composition contributes to Board productivity?				2	2



<b>F.</b>	Individual Board Members communicate effectively with executive staff so as to be well informed on the status of all important issues?			1	1	3
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		Low-----High				
		1	2	3	4	5
<b>V. Board Oversight</b>						
<b>A.</b>	Board Members are knowledgeable about the Authority's programs, financial statements, and other transactions?			1	1	3
<b>B.</b>	Board Members are knowledgeable about the Authority's compliance and reporting obligations?				4	1
<b>C.</b>	Board meetings facilitate open, deliberative and thorough discussion, and the active participation of Board Members?				1	4
<b>D.</b>	Board Committee meetings facilitate open, deliberative and thorough discussion, and the active participation of Board Members?				1	4
<b>E.</b>	Executive Session meetings facilitate open, deliberative and thorough discussion, and the active participation of Board Members?				1	4
<b>F.</b>	The Executive Sessions as currently constituted are effective and efficient?				1	4
<b>G.</b>	Individual Board Members feel empowered to delay votes, defer agenda items, or table actions if they feel additional information or discussion is required?			1	1	3
<b>H.</b>	The Board meets to review and approve all documents and reports prior to public release and is confident that the information being presented is accurate and complete?			1	2	2
<b>I.</b>	The Board exercises appropriate oversight of the President and other executive staff, including setting performance expectations and reviewing performance annually?			2	1	2



<b>J.</b>	The Board has identified the areas of most risk to the Authority and works with management to implement risk mitigation strategies before problems occur?			1	2	2

		Low-----High				
		1	2	3	4	5
<b>VI. President and Chief Executive Officer</b>						
<b>A.</b>	The Board gives the President enough authority, responsibility and support to lead the staff and manage the organization successfully?			1	1	3
<b>B.</b>	The President provides the Board with sufficient information to enable Members to make informed decisions?				1	3

		Low-----High				
		1	2	3	4	5
<b>VII. Efficiency of Operations</b>						
<b>A.</b>	The Board has adopted policies, by-laws, and practices for the effective governance, management and operations of the Authority?				2	3
<b>B.</b>	The Board sets clear and measurable performance goals for the Authority that contribute to accomplishing its mission?			1	2	2
<b>C.</b>	The decisions made by the Board Members are arrived at through independent judgment and deliberation, free of political influence, pressure or self-interest?				2	3
<b>D.</b>	Board Members receive clear agendas and supporting written materials?				2	3
<b>E.</b>	Board Members receive written board materials sufficiently prior to board and committee meetings to allow for review?				1	4



<b>F.</b>	Board Members stay abreast of issues and devote enough time to learn the Authority's operations to be helpful in guiding the organization's mission and performance?			1	1	3
<b>G.</b>	Board Members stay abreast of issues and devote enough time to learn the Parks' operations to be helpful in guiding the organization's mission and performance?			1	1	3
<b>H.</b>	The Board focuses much of its attention on long-term, significant policy issues rather than short-term administrative matters?			1	3	1
<b>I.</b>	Board Members have adequate opportunities to discuss issues and ask questions?			1	1	3
<b>J.</b>	Your participation in Board meetings is meaningful?				4	1
<b>K.</b>	The frequency of board meetings is appropriate for the responsible discharge of the Board's responsibilities?			1	2	2
<b>L.</b>	All Board Members are actively engaged in the work of the board?			1	1	3
<b>M.</b>	Board Members demonstrate leadership and vision and work respectfully with each other?				1	4

		<b>Low-----High</b>				
		<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
	<b>VIII. Conflicts of Interest</b>					
<b>A.</b>	The Board has in place an effective conflict of interest policy for itself and staff?				2	3
<b>B.</b>	The Board has in place an effective code of conduct for itself and staff?				2	3



		Low-----High				
		1	2	3	4	5
	<b>IX. Training</b>					
<b>A.</b>	The ethics training that you received was helpful in the performance of your duties as a Board Member?			1	1	3
<b>B.</b>	The fiduciary training that you received was helpful in the performance of your duties as a Board Member?			1	1	3
<b>C.</b>	There are other trainings that you could receive that would help you better perform your duties as a Board Member?				1	3



## 16. Assets and Services Procured Without Competitive Bidding





## 16. Assets and Services Procured Without Competitive Bidding

Vendor Name	Procurement Description	Amount Expended For Fiscal Year
NYCFINANCECONVENIENC NEW YORK NY	Fingerprinting	\$2.23
ACCOUNTINGTOOLS 3038861772 CO	Merchandise & Supplies	\$19.95
TRAVEL INSURANCE POL RICHMOND VA	Business Travel	\$25.50
BROOKLYN BRIDGE PARK BROOKLYN NY	Event Permit	\$26.00
AMAZON.COM AMZN.COM/BILL WA	Publication	\$28.54
MC4WP.COM MAILCHIMP ARNHEM	Programming Advertising	\$29.40
DNSMADEEASY TIGGEE 7038803095 VA	Internet Support	\$29.95
WWW.ISTOCK.COM 866-478-6251 WA	Certification	\$33.00
ARECIBO119 GOSQ.COM Brooklyn NY	Permitting - Transportation	\$41.20
LOST RETURNS 0440 WINTER PARK FL	Shipping	\$49.45
PACER800-676-6856IR SAN ANTONIO TX	Electronic legal resources	\$53.60
AMEX	Renewal Fees /Amex	\$55.00
NYS ASSOC OF BLACK ALBANY NY	MWBE Event	\$75.00
NYC BIC NYC BIC NEW YORK NY	License/fingerprinting	\$89.75
AVION LUXURY CARS IN Brooklyn NY	Permitting - Transportation	\$96.00
D J*BARRONS'S 800-568-7625 MA	Subscription	\$99.00
MASS POETRY BOSTON MA	Programming Supplies	\$100.00
PAYPAL *NYLAWSCHOOL 4029357733 CA	Ethics seminar	\$100.00
VILLAGE PARTY STORE NEW YORK NY	Community day event	\$141.52
AMAZON.COM	Merchandise and supplies	\$152.40
LABOR LAW CENTER COM GARDEN GROVE CA	Business Services	\$152.70
PROJECT MANAGEMENT I NEWTOWN SQ PA	Certification Fees	\$164.00
PROJECT MGMT INSTITU 866-276-4PMI PA	Certification Fees	\$168.70
WWW.CPEDEPOT.COM 9166340255 CA	Certification Fees	\$178.00
PAYPAL *DIVERSITYCO 4029357733 CA	Job posting	\$180.00
JOBS IN HORTICULTURE LAKE MARY FL	Job Posting	\$187.00
SOLARWINDS 866-530-8100 TX	Dame Ware support - MIS	\$210.00
PAYPAL *CONFERENCEC 4029357733 CA	MWBE Event	\$250.00
ALBANY MARRIOTT ALBANY NY	Training - Albany	\$250.75
HONEYWI LOUISVILLE KY	Website	\$300.00
FEDEXOFFICE 5523 NEW YORK NY	Business Services	\$318.46



Vendor Name	Procurement Description	Amount Expended For Fiscal Year
AMAZON.COM	Office equipment	\$321.16
D J*WALL-ST-JOURNAL 800-568-7625 MA	Subscription	\$347.88
PCIA-THE WIRELESS IN 703-739-0300 VA	FCC license	\$365.00
AMTRAK WASHINGTON DC	Conference Travel	\$378.40
AMERICAN AIRLINES	Conference Travel	\$399.09
PP*PS 89 PTA NEW YORK NY	CCSHS Advertising	\$400.00
ELA NATICK MA	Horticulture Training	\$417.00
WEBEX.COM 916-861-3157 CA	Cisco WebEx - MIS	\$468.00
CITY AND STATE NY LL NEW YORK NY	Subscription	\$495.00
NYC COMMUNITY MEDIA NEW YORK NY	Business Services	\$499.00
NY BUILDING CONGRESS NEW YORK NY	Business Event	\$500.00
CSI*EFIT**SOFTWARE A LAKEWOOD CO	CCSHS Software	\$520.00
GREENSHADES SOFTWARE 888-2553815 FL	Merchandise & Supplies	\$548.06
ALM CSC 877-256-2472 NY	Merchandise & Supplies	\$599.88
Neopost	BPCPC Postal rental meter	\$602.74
MAILCHIMP MAILCHIMP.COM GA	Programming Advertising	\$610.00
PICASSO PIZZERIA 000 NEW YORK NY	Team Event	\$623.03
GLOBAL INDUSTRIAL EQ 800-645-2986 FL	CCSHS- Signage	\$673.69
JIMMYS HEROS Brooklyn NY	Team Event	\$700.00
DROPBOX*DQLLD1WPK1VD SAN FRANCISCO CA	File Sharing Service	\$750.00
AMERICAN MGMT ASSOC SHAWNEE MISSIO KS	Project Management Training	\$837.00
OUTSLAYER FIGHT GEAR WINNETKA CA	CCSHS Equipment	\$868.97
American Stenographic, LLC	Stenographic/Court Reporting Services	\$922.00
CRAIGSLIST INC CRAIG SAN FRANCISCO CA	Job Posting	\$945.00
FRONT STREET PIZZA BROOKLYN NY	Team Event	\$950.00
NYTCONFERENCES 212-556-1234 NY	Business Event	\$950.00
EARTHLINK.NET 800-719-4660 GA	Internet Support	\$952.40
AMAZON MKTPLACE PMTS AMZN.COM/BILL WA	NY law-Subscription	\$1,086.35
CRAIN'S NY BUSINESS DETROIT MI	Subscription	\$1,223.00
Redsoft Technologies, Inc.	Tracking System for Rent Defaults	\$1,225.00
NETSOL 888-642-9675 FL	Business Services	\$1,347.53
INDEED 203-564-2400 CT	Job Posting	\$1,410.46
PLURALSIGHT 86100004 FARMINGTON UT	IT training	\$1,497.00
BNET Fulton NY	CEAS ID cards	\$1,500.00



Vendor Name	Procurement Description	Amount Expended For Fiscal Year
1 800 GOTJUNK 000000 NEW YORK NY	Regatta Move Out	\$1,676.00
Clorinda Andrade	Masala Bhangra Instructor for Community Center	\$1,740.00
ACTIVE DATA SOLUTION PROVIDENCE RI	UPS	\$2,071.42
Cummins Power Systems, LLC	BPCPC Emergency generator maintenance services	\$2,135.00
ABNY 212-370-5800 NY	Business Event	\$2,170.00
BB*NEW YORKERS 4PARK NEW YORK NY	Business Event	\$2,250.00
UNIVERSAL MAILING SE PISCATAWAY NJ	Parks Mailing	\$2,376.66
HONEYWICK HOSTING LL 800-7351475 KY	Website	\$2,431.00
SAGE SOFTWARE INC 12 IRVINE CA	Merchandise & Supplies	\$2,835.16
LOWER MANHATTAN CULT MAIDEN LANE NY	Business Event	\$3,000.00
Mary Eugenia French	BPCA Archiving	\$3,025.00
PACE UNIV ADULT/INTL NEW YORK NY	HR Training	\$3,123.00
MITCHELLS NEWSPAPER LONG ISLAND C NY	Subscription	\$3,340.55
IRL Systems, Inc.	BPCPC Fire alarm maintenance, inspection and testing services	\$3,528.00
Genesys Engineering P.C.	Pier A Tenant HVAC Upgrade	\$3,605.00
SPRINGHILL SUITES2BZ COLONIE NY	Travel	\$3,688.00
Lemire LLC	Background Investigation MWBE	\$4,110.00
HOSTGATOR.COM HOUSTON TX	Webhosting	\$4,488.00
Quantilus, Inc.	IHM Mobile Application	\$5,000.00
Ameny Seminar	MWBE Workshop	\$5,000.00
Chelsea Videos, Inc.	MWBE Forum- NYS Promotional Video	\$5,000.00
National Hispanic Business Group	MWBE Workshop	\$5,000.00
Nelson A. Rockefeller Empire State Performing Arts Center	MWBE Workshop	\$5,000.00
NYS Chapter of NAMC	MWBE Workshop	\$5,000.00
OGS Financial Administration	MWBE Workshop	\$5,000.00
PWC	MWBE Workshop	\$5,000.00
Women Builders Council, Inc.	MWBE workshop	\$5,000.00
Dell Software Solutions	Merchandise and Supplies	\$5,014.00
DELL SOFTWARE SOLUTI FREMONT CA	Software and/or Hardware	\$5,014.00
Boro Sawmill & Timber Co., Inc.	Parks lumber	\$5,025.00
U.S. Materials Handling Corporation	Parts and Supplies	\$5,084.72
John Paul Hammond	River and Blues Concert	\$5,150.00



Vendor Name	Procurement Description	Amount Expended For Fiscal Year
Henry C. Butler	River's Blues Concert	\$5,200.00
Iron Mountain	Document storage archives	\$5,244.57
Forestry Suppliers, Inc.	Parks uniforms and rain gear	\$5,253.64
North Creek Nurseries	Landscaping supplies	\$5,310.99
Andrea Rodriguez	Tuition Reimbursement	\$5,342.75
Hanover Architectural Products	Parks pavement and bricks	\$5,367.50
Greenwich Village Supply LLC	Plumbing and irrigation supplies and equipment	\$5,369.61
NY Building Congress, Inc.	NY Building Congress membership	\$5,500.00
NYC Business Integrity Commission	License Renewal	\$5,600.00
Courier-Life Inc. dba/NYC Community Media	Advertising and promotion	\$5,743.00
Edge Electronics, Inc.	Supplies and Equipment- Maintenance	\$5,800.48
Sentry Electric LLC	Electrical supplies	\$5,969.50
Liberty Office Supplies & Equipment Inc.	Office supplies	\$6,104.60
J&P Flowers Inc.	Programming Supplies	\$6,250.00
Thomson Reuters-West	Publication	\$6,412.81
Majestic Vending and Services, Inc.	Office services	\$6,423.75
Public Interest Network Services	BPCPC Telephone service	\$6,431.22
Verizon Business	Telephone	\$6,518.01
Kimco Group Inc.	75 Battery HVAC and boiler maintenance	\$6,525.00
United States Merchants Protective Co., Inc.	BPCPC Alarm monitoring service & alarm equipment maintenance	\$6,544.00
Whitehouse and Company	2015 NYPD Police Memorial Dedication	\$6,650.00
Crowley Micrographics, Inc. dba The Crowley Company	Slide Photo Digitization	\$6,967.00
The Broadsheet Inc.	Publication	\$7,025.00
Tec Solutions Concepts, Inc.	Parks electronic locks and cyberkey system	\$7,117.40
AIA New Dimensions in Mktg., Inc.	Publicity materials and signage	\$7,161.51
Amy Helm Touring, LLC	River & Blues series Performer 070716	\$7,175.00
Hawkins, Delafield & Wood	Pre-Qualified Legal Counsel-Public Finance Law	\$7,175.39
United Steel Products, Inc.	Security gate and door maintenance service	\$7,375.00
Verizon	Connectivity Between BPCA & BPCPC	\$7,682.10
Fleisher, Eric T.	Refund of benefit premium	\$7,842.00



Vendor Name	Procurement Description	Amount Expended For Fiscal Year
Larick Associates Inc.	Ballfield supplies and equipment	\$7,911.32
Studio Instrument Rentals Inc.	Programming equipment	\$8,021.00
Dick Blick Company	Supplies- Programming	\$8,197.32
Staples Contract & Commercial	Supplies	\$8,237.85
PFM Swap Advisors LLC	Investment services	\$8,500.00
United States Postal Service	Postage	\$9,207.00
New York Classical Theatre, Inc.	Summer Theatre Performances	\$9,250.00
Federal Appraisal & Consulting LLC	Management Consultants and Service Contracts	\$9,450.00
Corporate Computer Solutions, Inc.	Software/Hardware Support packages and supplies	\$9,524.97
Sentry Electric LLC	Electric lighting and street light components	\$9,651.00
Healthy Clean Buildings	Janitorial and cleaning supplies	\$9,778.40
Image Marketing, Inc.	Parks programming public event - outdoor movie.	\$9,850.00
Sheraden Lighting and Electric	Electrical supplies	\$9,876.90
Come and Do	Security Deposit-Refund	\$9,935.00
Fund for the City of New York	MWBE Workshop	\$10,000.00
Maxwell Plumb Mechanical Corp.	BPCPC Reduced pressure zone "RPZ" Repairs	\$10,580.00
Citibank, N.A. dba ExxonMobil Business Card	Fuel	\$11,455.77
Recycle Away, LLC	EB supplies and equipment	\$11,562.50
Bear Sterns Securities Corp	Financial Services	\$11,692.58
Opus 3 Artists LLC	Go Fish Fest	\$12,000.00
Global Packaging Solutions, LLC	Supplies and Equipment	\$12,076.58
Dirt Company-Northeast, Inc.	Mulch and soil	\$12,336.00
Genesys Engineering P.C	Pier A HVAC Repair Services	\$12,345.00
Proftech LLC	Supplies	\$12,394.60
Continental Translation Service, Inc.	Translation of Battery Park City Park Rules	\$12,438.00
212/Harakawa Inc. DBA Two Twelve	2016 NYC NYPD 9/11 Unveiling Memorial	\$12,500.00
STATE FARM State Far BLOOMINGTON IL	Auto Insurance	\$12,911.74
State Farm	Business Services	\$12,912.00
Royel Marketing	MWBE Workshop promotional supplies	\$12,950.00



<b>Vendor Name</b>	<b>Procurement Description</b>	<b>Amount Expended For Fiscal Year</b>
Paramount Technologies, Inc.	Software/Hardware Support packages and license	\$13,413.45
NYS Dept. of Labor	unemployment services	\$13,651.60
Slade Elevator Industries, Inc.	BPCPC Non-routine elevator maintenance and emergency repair services	\$13,963.02
Dell Marketing L.P.	Support, service, and computer equipment	\$14,054.60
Bruno Conklin Enterprises, Inc. d/b/a Super Rooter	Storm Drain Video Taping	\$14,400.00
Liv Art, Inc.	2016 NYC NYPD 9/11 Unveiling Memorial	\$15,225.00
Sheraden Lighting & Electrical Products Corp	Electrical supplies and equipment	\$15,361.50
Independent Media Sales & Services	Supplies	\$15,600.00
Holbrook Plastic Pipe Supply, Inc. dba Holbrook Pipe Supply	Plumbing and irrigation supplies and equipment	\$15,976.13
Voya Financial	Retirement	\$16,304.60
Verizon	Telephone	\$16,654.00
ADP Screening and Selection Services, Inc.	Background Checks	\$16,840.00
Matthew Brogan	Dockapella Parks Programming event.	\$17,250.00
AIA New Dimensions in Mktg, Inc.	Promotional products	\$17,558.04
Contract Trainers, Inc.	EEO Training	\$18,200.00
Buck Consultants	Management Consultants	\$18,500.00
The Bank of New York	Financial Services	\$19,350.00
Hoguet Newman Regal & Kenney, LLP	Legal & Other Specialized Professional Services	\$20,320.00
Crain Communications Inc./dba Crain's NY Business	Advertising and promotion	\$20,932.50
Donachie, Fenton & Associates, Inc.	BPCPC Warehouse systems management and support services	\$21,000.00
Schall & Russo Planning Works, LLC	Executive Search Services	\$21,000.00
Louis E Page, Inc.	Landscaping service and supplies	\$21,030.04
FMR LLC dba/Fidelity Investments Institutional Operations Company	Financial Services	\$21,348.86
Socius1, LLC/dba Socius	Microsoft dynamics plus plan	\$21,503.75
Glatfelter Brokerage Services-Group Manager	Insurance brokerage service	\$22,171.10
School Specialty, Inc.	Programming Supplies	\$22,648.14



<b>Vendor Name</b>	<b>Procurement Description</b>	<b>Amount Expended For Fiscal Year</b>
Raymond of New Jersey LLC	BPCPC Maintain transtacker fork lift	\$22,795.00
US Internet Corp.	Upgrade Existing Email System	\$23,716.00
CDW Government, Inc.	Supplies	\$24,605.16
New York City Water Board	Water utility	\$25,447.10
Verizon	Telephone	\$26,633.77
Metropolitan Life Insurance Company	Insurance	\$27,300.00
WATS International, Inc.	Hardware supplies for horticulture and maintenance	\$27,314.31
Thorton-Tomasetti Group, Inc.	South Bridge Extension-Engineering Services	\$28,465.00
Verizon Business	New Phone system office phone lines	\$31,304.00
NYS Dept. of Labor-UI DIV	unemployment services	\$31,676.84
Three Gals Industrial LLC dba 3 Gals Industrial	Plumbing and irrigation supplies and equipment	\$33,856.75
Con Edison	Electric utility	\$35,355.20
Edge Electronics, Inc.	Janitorial and maintenance supplies and hardware	\$37,233.20
Crown Equipment Corporation dba/Crown Lift Trucks	Utility truck and parts	\$38,213.12
Gartner Inc.	Information Tech Research Licenses	\$39,353.33
Three Gal's Industrial, LLC	Cleaning & Electrical supplies	\$39,704.81
ABM Janitorial Services	Janitorial Services	\$41,433.00
Verizon Business	Upgrading existing network	\$44,568.00
Robert Half International, Inc. dba Accountemps, Officeteam, Rober.	Staffing services	\$47,839.45
Michael A. Serrano, Inc. D/B/A Briteway Security Systems	Installation of Electrical Boxes at the Ballfield	\$49,960.00
Brookfield Properties One WFC Co. LLC	Rent	\$63,105.48
Verizon Business	Upgrade BPCPC Network & Service	\$63,153.00
Lincoln Life & Annuity Company of New York	Insurance	\$66,135.42
Automatic Data Processing	Payroll Services	\$74,675.09
The Doe Fund, Inc.	BPCPC Eastern border sanitation	\$76,642.32
Cellco Partnership/dba Verizon Wireless	Wireless Provider	\$77,679.70
Gartner Inc.	Information Tech Research Engine	\$86,128.00
TIAA-CREF	Retirement	\$86,192.87
Summit Security Services	Security Guard Review	\$93,162.00



<b>Vendor Name</b>	<b>Procurement Description</b>	<b>Amount Expended For Fiscal Year</b>
HLW International, LLP	South Bridge Extension-Drawings & Specifications	\$100,911.00
New York Power Authority	Public utilities	\$120,729.89
Finger Lakes Industrial Contracting Corp.	Pier A Array Hose Replacement	\$140,350.00
Mariners Cove Site B Associates	Rent	\$147,749.94
Southern Services Group, Inc.	Pier A- Array Frame Fabrication	\$151,848.00
Regatta Property LLC	Rent	\$174,019.00
Municipal Credit Union	Credit Union	\$188,432.64
NYSIF Workers' Compensation	Worker's Comp Insurance	\$195,598.90
NYS Empl. Ret. System	Retirement	\$270,605.40
Benefit Analysis, Inc.	Benefits Administrator	\$331,168.53
New York Power Authority	Utility	\$403,318.28
NYS Deferred Compensation Plan	Deferred Compensation	\$423,213.65
NYC Water Board	Public utilities	\$522,566.61
Alliance For Downtown New York, Inc.	Downtown Bus Connection	\$632,000.00
NYC Department of Parks	PEP Services	\$915,662.00
Battery Park City Parks	Parks Funding	\$1,071,500.00
NYS & Local Employees' Retirement System	Retirement	\$1,230,774.00
NYS Office of General Services	Insurance	\$1,261,711.63
NYS Employees' Health	Health	\$2,403,021.85
State of New York Dept. of Transportation	Route 9A reconstruction	\$2,934,423.00
NYS Dept. of Tax.& Finance	NYS Statewide Cost Recovery	\$6,853,000.00
Battery Park City Auth.	Payroll Services	\$9,847,882.52



## 17. Material Pending Litigation

## **17. Material Pending Litigation**

The Authority is involved in personal injury, real estate, employment and other miscellaneous claims and lawsuits in the ordinary course of business. The Authority believes it has meritorious defenses or positions with respect thereto. Authority management is of the opinion that the liability, if any, for any of these matters will not have a material adverse effect on the financial position of the Authority, and that any potential losses would in any event be covered by the Authority's various insurance policies or through contractual indemnification provisions.